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8 Attorneys for Defendant ARMANDO VARGAS

9 UNITED STATES DISTRICT COURT  
10 FOR NORTHERN DISTRICT OF CALIFORNIA  
11 SAN JOSE DIVISION

C/PST

18

11 JOSE FELIPE RUIZ; CARLOS AGUILAR  
12 RIVAS; MARCELINO HERNANDEZ;  
13 ALEJANDRO AGUILAR; RAMIRO  
14 HERNANDEZ PARRA

15 Plaintiffs,

16 v.

17 ARMANDO VARGAS

18 Defendant

Case No.: 08-CV-01804PVT

STIPULATION ALLOWING DEFENDANT  
LEAVE TO FILE THIRD-PARTY  
COMPLAINT AND [XXXXXXXXXX] ORDER

[F.R.C.P., Rule 14]

19 Pursuant to Federal Rules of Civil Procedure, Rule 14, the parties submit the following  
20 Stipulation, seeking leave to file the proposed Third-Party Complaint attached as Exhibit "A".

21 WHEREAS, the present lawsuit was filed on or about April 3, 2008, by JOSE FELIPE  
RUIZ, CARLOS AGUILAR RIVAS, MARCELINO HERNANDEZ, ALEJANDRO AGUILAR  
and RAMIRO HERNANDEZ PARRA (hereinafter "Plaintiffs") against Defendant ARMANDO  
VARGAS ("Mr. Vargas");

ORIGINAL

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1 WHEREAS, Plaintiffs seek damages for allegedly unpaid overtime compensation and  
2 other wages and for penalties associated with the non-payment of wages arising under federal  
3 and California law;

4 WHEREAS, Mr. Vargas filed an answer on or about May 12, 2008, denying Plaintiffs'  
5 allegations and requesting a jury trial;

6 WHEREAS, at all times alleged in the complaint, Mr. Vargas was doing business as  
7 QUALITY PLUMBING;

8 WHEREAS, Mr. Vargas filed a complaint (a true and correct copy of which is attached  
9 as Exhibit "B") in Monterey County Superior Court, case number M 89632 (the "Monterey  
10 County Lawsuit"), seeking, *inter alia*, to quiet title to certain real properties and also a  
11 declaration regarding the respective rights between Mr. Vargas and EDITH M. SAUNO ("Mrs.  
12 Sauno") as to the ownership of QUALITY PLUMBING;

13 WHEREAS, on or about April 3, 2008, Mrs. Sauno filed a verified pleading in the  
14 Monterey County Lawsuit (a true and correct copy of which is attached as Exhibit "C"), in which  
15 she alleged that she was a co-owner of QUALITY PLUMBING;

16 WHEREAS, the parties, through their counsel, have met and conferred, and agree that  
17 good cause exists to permit Mr. Vargas leave to file a Third-Party Complaint against Mrs. Sauno  
18 pursuant to Federal Rules of Civil Procedure, Rule 14, seeking a determination regarding the  
19 amounts that Mrs. Sauno, if any, should be held liable if Mr. Vargas is found liable in the present  
20 lawsuit;

21 WHEREAS, A proposed Third-Party Complaint against Mrs. Sauno is attached as  
22 Exhibit "A" and incorporated by reference;

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1       **IT IS HEREBY STIPULATED** by and between Plaintiffs and Mr. Vargas, through their  
2       respective counsel, as follows:

3           1.     Mr. Vargas shall have leave to file and serve his proposed Third-Party Complaint  
4       against Mrs. Sauno.

5           2.     This Stipulation may be signed in counterparts, and a facsimile signature shall  
6       have the same force and effect as an original signature.

7                   **FOR PLAINTIFFS**

**LAW OFFICES OF TOMAS E.  
MARGAIN**

9           **DATED:**     September 29, 2008

By:   
Tomas E. Margain

12                   **FOR DEFENDANT**

**FISHMAN, LARSEN, GOLDRING  
AND ZEITLER**

14           **DATED:**     9/29/08

By:   
Douglas M. Larsen

17                   **IT IS SO ORDERED**

19           **DATED:**     October 2, 2008

  
Hon. Patricia V. Trumbull  
UNITED STATES MAGISTRATE JUDGE

# EXHIBIT A

1 Douglas M. Larsen #142852  
2 FISHMAN, LARSEN, GOLDRING & ZEITLER  
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4 Fresno, California 93720  
5 559-256-5000  
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8 Attorneys for: Defendant ARMANDO VARGAS

9 UNITED STATES DISTRICT COURT  
10 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
11 SAN JOSE DIVISION

12 ARMANDO VARGAS, an individual,  
13 Third-Party Plaintiff,  
14 EDITH R. SAUNO, an individual,  
15 Third-Party Defendant.

Case No.: 08-CV-01804-PVT

16 **THIRD-PARTY COMPLAINT FOR  
17 DECLARATORY RELIEF AND  
18 INDEMNIFICATION**

Demand for Jury Trial

19 Third-Party Plaintiff alleges as follows:

20 1. JOSE FELIPE RUIZ, CARLOS AGUILAR RIVAS, MARCELINO  
21 HERNANDEZ, ALEJANDRO AGUILAR, and RAMIRO HERNANDEZ PARRA ("Plaintiffs")  
22 have filed a complaint against Defendant ARMANDO VARGAS ("VARGAS"), a copy of  
23 which is attached hereto as Exhibit "A" and incorporated by reference.

24 **JURISDICTION AND VENUE**

25 2. This Court has jurisdiction of the subject matter of this action pursuant to the Fair  
26 Labor Standards Act, 29 U.S.C. sections 201 et. seq. and the pendent jurisdiction over the state  
27 law claims.

28 3. This Court is a proper venue because the events giving rise to this lawsuit have  
occurred in this District.

**PARTIES**

4. VARGAS is, and at all times mentioned was, an individual residing in Monterey County, California. At all times herein alleged, VARGAS was conducting business as QUALITY PLUMBING.

5. Third-Party Defendant EDITH R. SAUNO ("SAUNO") is, and at all times was, an individual residing in Monterey County, California.

**GENERAL ALLEGATIONS**

6. Plaintiffs' complaint seeks damages (in an amount to be determined at trial) for the alleged failure of VARGAS to pay wages to Plaintiffs, including overtime wages, prevailing wages, and associated penalties under federal and state law.

7. If Plaintiffs sustained damages as alleged in their complaint, these damages were caused, entirely or in part, by SAUNO.

8. Commencing on or about 1999, VARGAS commenced business as QUALITY PLUMBING with his current principal place of business at 352 Griffin Street, Salinas, California. VARGAS was a Mexican immigrant with limited English skills.

9. Commencing on or about 1999, VARGAS employed SAUNO as his Controller. VARGAS relied upon SAUNO in her capacity as Controller to handle the finances and the day-to-day business operations. SAUNO owed VARGAS fiduciary duties as Controller of QUALITY PLUMBING.

10. On or about March 10, 2008, VARGAS initiated a lawsuit against SAUNO in the Monterey County Superior Court, case number M 89632, seeking, *inter alia*, to quiet title to certain real properties and a declaration regarding the respective rights between VARGAS and SAUNO as to the ownership of QUALITY PLUMBING.

11. On or about April 3, 2008, SAUNO filed a verified cross-complaint against VARGAS in the case pending in Monterey County Superior Court, case number M 89632, alleging, *inter-alia*, that she was a co-owner of QUALITY PLUMBING.

12. At all times alleged in Plaintiffs' complaint, SAUNO handled the payment of employees' wages, including the Plaintiffs' allegedly unpaid wages.

1           13. VARGAS alleges that SAUNO negligently and/or intentionally failed to pay  
2 Plaintiffs' owed wages. SAUNO knew, or should have known, that wages were due and owing  
3 to Plaintiffs.

4           14. Any sums owed to Plaintiffs stemming from their complaint were caused, in  
5 whole or part, by SAUNO's negligence.

6           15. An actual controversy has arisen and now exists between VARGAS and  
7 SAUNO regarding the following:

8           a. That, as between VARGAS and SAUNO, responsibility, if any, for the  
9 damages claimed by Plaintiffs herein rests entirely or partially on SAUNO, who claims to be an  
10 owner of QUALITY PLUMBING;

11           b. Whether, SAUNO is a co-owner of QUALITY PLUMBING; and

12           c. As a result, whether SAUNO is obligated to partially or fully indemnify  
13 VARGAS for any sums that VARGAS may be compelled to pay as the result of any damages,  
14 judgment, or other awards recovered by Plaintiffs against VARGAS.

15           16. VARGAS desires a judicial determination of the respective rights and duties of  
16 VARGAS and SAUNO with respect to the damages claimed in Plaintiffs' complaint. In  
17 particular, VARGAS desires a declaration of the comparative liability of VARGAS and SAUNO  
18 for these damages, and a declaration of SAUNO's responsibility for comparative indemnity to  
19 VARGAS for any sums that VARGAS may be compelled to pay and for which SAUNO is  
20 determined responsible, entirely or in part.

21           17. Such a declaration is necessary and appropriate at this time in order that  
22 VARGAS may ascertain his rights and duties with respect to Plaintiff's claim for damages.  
23 Furthermore, the claims of the Plaintiffs and the claim of VARGAS arise out of the same  
24 transaction, and determination of both in one proceeding is necessary and appropriate in order to  
25 avoid the multiplicity of actions that would result if VARGAS is required now to defend against  
26 the claim of Plaintiff and then bring a separate action against SAUNO for indemnification of  
27 sums that she may be compelled to pay as the result of any damages, judgment, or other awards  
28 recovered by Plaintiffs against VARGAS.



**PRAYER FOR RELIEF**

WHEREFORE, VARGAS prays judgment against SAUNO as follows:

1. For a judicial determination of the comparative fault of VARGAS and SAUNO for the damages claimed by Plaintiffs, if any are found to exist, to determine whether SAUNO is jointly and/or severally liable;
2. For a declaration of the amount that SAUNO is obligated to indemnify VARGAS if VARGAS is compelled to pay any sum as the result of any damages, judgment, or other awards recovered by Plaintiff against VARGAS;
3. For costs of suit herein incurred; and
4. For such other and further relief as the court may deem proper.

Dated: September 22, 2008

FISHMAN, LARSEN, GOLDRING & ZEITLER

BY: \_\_\_\_\_

Douglas M. Larsen  
Attorneys for Defendant/Third-Party Plaintiff  
ARMANDO VARGAS

**CERTIFICATION OF INTERESTED ENTITIES OR PERSONS**

Pursuant to Civil Local Rule 3-16, the undersigned certifies that as of this date, other than the named parties, there are no such interested entities or persons to report.

Dated: September 22, 2008

FISHMAN, LARSEN, GOLDRING & ZEITLER

BY: \_\_\_\_\_

Douglas M. Larsen  
Attorneys for Defendant/Third-Party Plaintiff  
ARMANDO VARGAS



**EXHIBIT B**

Douglas M. Larsen, No. 142852  
Joshua S. Daniels, No. 222928  
FISHMAN, LARSEN, GOLDRING & ZEITLER  
7112 North Fresno Street, Suite 450  
Fresno, California 93720  
(559) 256-5000  
(559) 256-5005 fax

**FILED**

**MAR 10 2008**

CONNIE MAZZEI  
CLERK OF THE SUPERIOR COURT  
DEIDRE K. DINEEN DEPUTY

Attorneys for: Plaintiff ARMANDO VARGAS

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF MONTEREY  
MONTEREY DIVISION**

ARMANDO VARGAS, an individual dba  
QUALITY PLUMBING

Plaintiff,

vs.

EDITH R. SAUNO, an individual; ALBERTO  
H. SAUNO, an individual; and DOES 1  
through 200, inclusive,

Defendants

Case No.:

**M 89632**

**VERIFIED COMPLAINT FOR:**

1. CANCELLATION OF DEED;
2. QUIET TITLE;
3. CONVERSION;
4. FRAUD;
5. BREACH OF FIDUCIARY DUTY;
6. DISSOLUTION OF PARTNERSHIP;
7. SPECIFIC PERFORMANCE;
8. NEGLIGENCE;
9. DECLARATORY RELIEF;
10. DECLARATORY RELIEF.

Plaintiff ARMANDO VARGAS alleges as follows:

1. Plaintiff ARMANDO VARGAS ("Plaintiff") is, and at all times herein relevant was, an individual residing in Monterey County, California. Plaintiff is doing business as QUALITY PLUMBING, with his principal business address at 352 Griffin Street, Salinas California.

2. Plaintiff is informed and believes, and thereon alleges, that Defendant EDITH R. SAUNO ("Sauno") is an individual residing in Monterey County, California.

1           3.     Plaintiff is informed and believes, and thereon alleges, that Defendant ALBERTO  
2 H. SAUNO is an individual residing in Monterey County, California.

3           4.     Plaintiff is informed and believes, and thereon alleges, that this court is the proper  
4 venue for the trial of this action because the real property that is the subject of this action lies  
5 within the County of Monterey, State of California, and all actions and events herein alleged  
6 occurred within the County of Monterey, State of California.

7           5.     Plaintiff does not know the true names and capacities of the Defendants sued  
8 herein under the fictitious names of Does 1 through 200, inclusive, and therefore such them by  
9 fictitious names. Plaintiff will amend this complaint to show the true names and capacities once  
10 they have been ascertained.

11           6.     Plaintiff is informed and believes, and thereon alleges, that, except where  
12 otherwise alleged, each of the Defendants, including the fictitiously named DOES, were at all  
13 times relevant hereto the agent, employee, or representative of the remaining Defendants and  
14 were acting at least in part within the course and scope of such relationship, and each Defendant  
15 ratified the acts of its agents.

16                               **BACKGROUND ALLEGATIONS**

17           7.     Commencing on or about 1999, Plaintiff commenced business as QUALITY  
18 PLUMBING with his current principal place of business at 352 Griffin Street, Salinas,  
19 California. Plaintiff was a Mexican immigrant with limited English skills.

20           8.     Commencing on or about 1999, Plaintiff employed SAUNO as the Controller of  
21 QUALITY PLUMBING. Plaintiff relied upon SAUNO in her capacity as Controller to handle  
22 QUALITY PLUMBING's finances and its day-to-day business operations.

23           9.     Commencing on or about November of 2001, Plaintiff and SAUNO became  
24 general partners in V&S ENTERPRISES, with their current principal place of business at 352  
25 Griffin Street, Salinas, California.

26           10.    On or about November 9, 2007, Plaintiff and SAUNO entered into a written  
27 agreement to dissolve V&S ENTERPRISES. A true and correct copy of the written agreement is  
28 attached hereto as Exhibit "A" and incorporated by reference herein.

1 11. Pursuant to the terms of Exhibit "A," Plaintiff and SAUNO agreed that Plaintiff  
2 would retain real property located at 352 Griffin Street (the "Griffin Property"), which is located  
3 in Monterey County.

4 12. Pursuant to the terms of Exhibit "A," Plaintiff and SAUNO agreed that SAUNO  
5 would retain real property located at 28 W. Lamar Street (the "Lamar Property") and real  
6 property located at 24 W. Curtis Street (the "Curtis Property"), both of which are located in  
7 Monterey County.

8 13. Plaintiff is presently in physical possession of the Griffin Property.

9 **FIRST CAUSE OF ACTION**

10 **(Cancellation of Deed--Against EDITH R. SAUNO and ALBERTO H. SAUNO)**

11 14. Plaintiffs refer to and incorporate by this reference all of the allegations of  
12 paragraphs 1 through 13 as if fully set forth herein.

13 15. There is in existence a certain written instrument that purports to be a deed to the  
14 Griffin Property (the "Deed"), more particularly described in the Deed. The form and contents  
15 of the purported Deed are as set out in the copy that is attached hereto as Exhibit "B" and made a  
16 part of this complaint by reference.

17 16. On or about November 20, 2007, SAUNO falsely and fraudulently represented to  
18 Plaintiff that the purported Deed was to convey title of the Griffin Property from V&S  
19 ENTERPRISES to Plaintiff.

20 17. The representations made by SAUNO were in fact false. The true facts were that  
21 SAUNO prepared the purported Deed to convey title of the Griffin Property from V&S  
22 ENTERPRISES to herself and to her husband, ALBERTO SAUNO.

23 18. When SAUNO made these representations, she knew them to be false, and these  
24 representations were made by SAUNO with the intent to defraud and deceive Plaintiff and with  
25 the intent to induce Plaintiff to execute the purported Deed attached hereto as Exhibit "B".

26 19. Prior to and at the time the representations were made by SAUNO and the Deed  
27 executed by Plaintiff, SAUNO was Plaintiff's business partner, and Plaintiff relied upon SAUNO  
28 for business advice.

20. At the time these representations were made by SAUNO and at the time Plaintiff executed the Deed, Plaintiff was ignorant of the falsity of SAUNO's representations and believed them to be true. In reliance on these representations, Plaintiff was induced to and did execute the Deed. Had Plaintiff known the actual facts, he would not have executed the Deed. Plaintiff's reliance on SAUNO's representations was justified because Plaintiff relied upon SAUNO as his business partner.

21. As a result of these representations, Plaintiff has been, and continues to be, wrongfully deprived of the real property purportedly conveyed by the Deed.

22. On November 30, 2007, the purported Deed was recorded in the Official Records of the County of Monterey as Instrument Number 2007089925. If the recorded Deed is left outstanding, Plaintiff may lose his property to a purchaser from SAUNO and ALBERTO SAUNO for value and without notice of the Deed's invalidity.

23. The conduct of SAUNO in procuring the Deed and dispossessing Plaintiff of the Griffin Property was willful and was intended to injure Plaintiff and to deprive Plaintiff of the property purportedly conveyed by the Deed. Plaintiff therefore seeks exemplary and punitive damages.

## SECOND CAUSE OF ACTION

(Quiet Title--Against EDITH R. SAUNO and ALBERTO H. SAUNO)

24. Plaintiffs refer to and incorporate by this reference all of the allegations of paragraphs 1 through 23 as if fully set forth herein.

25. Plaintiff is, and at all times herein mentioned was, the owner in fee simple and in possession and control of that real property situated in Monterey County, California, known as 352 Griffin Street, Salinas, California 93901 and more particularly described as follows: Assessor's Parcel Number 003-041-022.

26. Plaintiff is informed and believes, and thereupon alleges, that SAUNO claims some right, title, estate, lien, or interest in and to the lands of Plaintiff as described in this complaint, based upon the purported Deed which is attached hereto as Exhibit "B".

1 27. Plaintiff is seeking to quiet title against all adverse claims of SAUNO and  
2 ALBERTO SAUNO as of the date of filing this present action.

3 **THIRD CAUSE OF ACTION**

4 **(Conversion--Against EDITH R. SAUNO)**

5 28. Plaintiffs refer to and incorporate by this reference all of the allegations of  
6 paragraphs 1 through 27 as if fully set forth herein.

7 29. At all times herein mentioned, and in particular from approximately 1999 until the  
8 present, Plaintiff was, and still is, doing business as QUALITY PLUMBING.

9 30. At all times herein mentioned, and in particular from approximately 1999 until  
10 November 9, 2007, SAUNO was employed by Plaintiff as the Controller of QUALITY  
11 PLUMBING. As Controller, SAUNO had access to and control of QUALITY PLUMBING's  
12 finances, including bank accounts, and SAUNO was authorized, among other things, to deposit  
13 revenues into QUALITY PLUMBING's bank accounts; pay QUALITY PLUMBING's  
14 expenses, and issue payroll expenditures on behalf of QUALITY PLUMBING to its employees.

15 31. At all times herein mentioned, and in particular from approximately 1999 until  
16 November 9, 2007, SAUNO took, embezzled, and converted unauthorized monies from  
17 Plaintiff's possession for her own use, and for the use of her family members and friends.  
18 Plaintiff is informed and believes, and thereupon alleges, that the unauthorized conversions  
19 exceed Three Hundred Thousand Dollars (\$300,000.00).

20 32. SAUNO's acts alleged above were willful, wanton, malicious, and oppressive,  
21 were undertaken with the intent to defraud, and justify the awarding of exemplary and punitive  
22 damages.

23 **FOURTH CAUSE OF ACTION**

24 **(Intentional Fraud and Deceit--Against EDITH R. SAUNO)**

25 33. Plaintiffs refer to and incorporate by this reference all of the allegations of  
26 paragraphs 1 through 32 as if fully set forth herein.

27 34. At all times herein mentioned, SAUNO was the employee of Plaintiff at  
28 QUALITY PLUMBING and SAUNO was Plaintiff's business partner in V&S ENTERPRISES.



1           35. At all times herein mentioned, V&S ENTERPRISES was the owner of the Griffin  
2 Property.

3           36. On or about November 9, 2007, Plaintiff and SAUNO entered into a written  
4 agreement to dissolve V&S ENTERPRISES. A true and correct copy of the written agreement is  
5 attached hereto as Exhibit "A" and incorporated by reference herein.

6           37. Pursuant to the terms of Exhibit "A," Plaintiff and SAUNO agreed that Plaintiff  
7 would retain the Griffin Property, which is located in Monterey County.

8           38. On or about November 20, 2007, SAUNO prepared, or had prepared, the Deed,  
9 the form and contents of which are attached hereto as Exhibit "B" and made a part of this  
10 complaint by reference.

11           39. On or about November 20, 2007, SAUNO falsely and fraudulently represented to  
12 Plaintiff that the purported Deed was to convey title of the Griffin Property from V&S  
13 ENTERPRISES to Plaintiff.

14           40. The representations made by SAUNO were in fact false. The true facts were that  
15 SAUNO prepared the purported Deed to convey title of the Griffin Property from V&S  
16 ENTERPRISES to herself.

17           41. When SAUNO made these representations, she knew them to be false, and these  
18 representations were made by SAUNO with the intent to defraud and deceive Plaintiff and with  
19 the intent to induce Plaintiff to execute the purported Deed attached hereto as Exhibit "B".

20           42. Prior to and at the time the representations were made by SAUNO and the Deed  
21 executed by Plaintiff, SAUNO was Plaintiff's business partner, and Plaintiff relied upon SAUNO  
22 for advice.

23           43. At the time these representations were made by SAUNO and at the time Plaintiff  
24 executed the Deed, Plaintiff was ignorant of the falsity of SAUNO's representations and believed  
25 them to be true. In reliance on these representations, Plaintiff was induced to and did execute the  
26 Deed. Had Plaintiff known the actual facts, he would not have executed the Deed. Plaintiff's  
27 reliance on SAUNO's representations was justified because Plaintiff relied upon SAUNO as his  
28 business partner in V&S ENTERPRISES.



1 44. As a result of these representations, Plaintiff has been, and continues to be,  
2 wrongfully deprived of the real property purportedly conveyed by the Deed.

45. The conduct of SAUNO in procuring the Deed and dispossessing Plaintiff of the Griffin Property was willful and was intended to injure Plaintiff and to deprive Plaintiff of the property purportedly conveyed by the Deed. Plaintiff therefore seeks exemplary and punitive damages.

7 FIFTH CAUSE OF ACTION

8 (Breach of Fiduciary Duty--Against EDITH R. SAUNO)

9 46. Plaintiffs refer to and incorporate by this reference all of the allegations of  
0 paragraphs 1 through 45 as if fully set forth herein.

47. At all times herein mentioned, and in particular from approximately 1999 until November 9, 2007, SAUNO owed Plaintiff fiduciary duties as Controller of QUALITY PLUMBING and as Plaintiff's partner in V&S ENTERPRISES.

48. At all times herein mentioned, and in particular from approximately 1999 until November 9, 2007, SAUNO took, embezzled, and converted unauthorized monies from QUALITY PLUMBING and V&S ENTERPRISES for her own use, and for the use of her family members and friends. SAUNO also fraudulently transferred the Griffin Property from V&S ENTERPRISES to herself and to her husband. SAUNO breached her fiduciary duties to Plaintiff as Controller of QUALITY PLUMBING and as Plaintiff's partner in V&S ENTERPRISES.

49. As a proximate result of SAUNO's breach of his fiduciary duties, Plaintiff has suffered, and continues to suffer, losses in an amount to be established at trial.

50. SAUNO's acts alleged above were willful, wanton, malicious, and oppressive, were undertaken with the intent to defraud, and justify the awarding of exemplary and punitive damages.

11.

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**SIXTH CAUSE OF ACTION**

**(Dissolution of Partnership and Accounting--Against EDITH R. SAUNO)**

51. Plaintiffs refer to and incorporate by this reference all of the allegations of paragraphs 1 through 50 as if fully set forth herein.

52. Since the commencement of V&S ENTERPRISES, SAUNO has misappropriated sums of money from partnership funds to her own use, without Plaintiff's knowledge, approval, or consent.

53. Plaintiff is entitled to dissolution of V&S ENTERPRISES by court decree, pursuant to subdivision (B) of Corporations Code section 16801(5), SAUNO has engaged in conduct relating to partnership business that makes it not reasonably practicable to carry on the business in the partnership.

54. Plaintiff is informed and believes, and thereupon alleges, that SAUNO is in possession of partnership books, assets, and accounts. The amount of partnership assets and liabilities is presently unknown to Plaintiff and cannot be ascertained without an accounting of profits and losses that occurred during the operation of the partnership business.

55. Plaintiff hereby demands an accounting to settle accounts and divide partnership assets and liabilities.

**SEVENTH CAUSE OF ACTION**

**(Specific Performance of Contract--Against EDITH R. SAUNO)**

56. Plaintiffs refer to and incorporate by this reference all of the allegations of paragraphs 1 through 55 as if fully set forth herein.

57. On or about November 9, 2007, in Salinas, Monterey County, California, Plaintiff and SAUNO entered into a written agreement, a copy of which is attached hereto as Exhibit "A" and incorporated by reference.

58. The consideration set forth in the agreement was the fair and reasonable value of the transfers of real property at the time the agreement was entered into and the contract is, as to SAUNO, just and reasonable.

1 59. Plaintiff has performed all conditions, covenants, and promises required by him  
2 on his part to be performed in accordance with the terms and conditions of the contract.

3 60. SAUNO has failed and refused, and continues to fail and refuse, to perform the  
4 conditions of the contract on her part in that she refuses to transfer 352 Griffin Street to Plaintiff  
5 as required in Exhibit "A".

6 61. For the reasons heretofore stated, Plaintiff has no adequate legal remedy in that  
7 the dispute involves real property and Plaintiff demands specific performance of the contractual  
8 terms of Exhibit "A".

9 62. Plaintiff is informed and believes, and thereupon alleges, that SAUNO  
10 fraudulently filed the change-in-ownership statement required by Revenue and Taxation Code  
11 section 480 for this transaction with the County Recorder or Assessor of Monterey County on or  
12 about November 9, 2007.

13 **EIGHTH CAUSE OF ACTION**

14 **(Negligence--Against EDITH R. SAUNO)**

15 63. Plaintiffs refer to and incorporate by this reference all of the allegations of  
16 paragraphs 1 through 62 as if fully set forth herein.

17 64. As Plaintiff's employee at QUALITY PLUMBING, SAUNO owed a duty of care  
18 to Plaintiff to refrain from activity which would harm Plaintiff. Such a duty is statutorily  
19 prescribed in Labor Code sections 2854, 2861, and 2865.

20 65. At all times herein alleged, SAUNO breached her duty to Plaintiff when she  
21 negligently allowed monies to transfer from QUALITY PLUMBING for her own use, and for  
22 the use of her family members and friends. SAUNO specifically breached Labor Code section  
23 2861

24 66. As a direct and legal result of the negligence of SAUNO, Plaintiff was damaged  
25 in an amount to be established at trial.

26 ///

27 ///

28 ///

**NINTH CAUSE OF ACTION**

**(Declaratory Relief--Against EDITH R. SAUNO)**

67. Plaintiffs refer to and incorporate by this reference all of the allegations of paragraphs 1 through 66 as if fully set forth herein.

68. An actual controversy has arisen and now exists among Plaintiff, SAUNO and ALBERTO SAUNO concerning their respective rights and duties regarding ownership and possession of the Griffin Property. SAUNO and ALBERTO SAUNO contend that they are the owners of the Griffin Property, whereas Plaintiff disputes these contentions.

69. On or about February 7, 2008, SAUNO caused a Notice of Termination of Tenancy to be served upon Plaintiff. Attached hereto as Exhibit "C" is a true and correct copy of the Notice of Termination of Tenancy.

70. Plaintiff dba QUALITY PLUMBING is in present possession of the Griffin Property.

71. Plaintiff desires a judicial determination of his rights and duties, and a declaration as to whether Plaintiff must vacate the Griffin Property.

72. A judicial declaration is necessary and appropriate at this time under the circumstances in order that Plaintiff may ascertain his rights and duties regarding the obligations, if any, he owes to SAUNO regarding the Griffin Property.

**TENTH CAUSE OF ACTION**

**(Declaratory Relief--Against EDITH R. SAUNO)**

73. Plaintiffs refer to and incorporate by this reference all of the allegations of paragraphs 1 through 72 as if fully set forth herein.

74. On or about November 9, 2007, SAUNO drafted that certain written document which purports to be a settlement agreement between SAUNO and Plaintiff. A true and correct copy of the November 9, 2007, agreement is attached hereto as Exhibit "D" and incorporated by reference herein.

75. An actual controversy has arisen and now exists between Plaintiff and SAUNO concerning their respective rights and duties regarding Exhibit "D" in that SAUNO contends that

Exhibit "D" is an enforceable contract, whereas Plaintiff disputes that Exhibit "D" has any validity in light of the discovered fraudulent and tortuous acts of SAUNO as alleged in this complaint.

76. Plaintiff desires a judicial determination of his rights and duties, and a declaration as to whether Exhibit "D" is a legally binding document as to and between SAUNO and Plaintiff.

77. A judicial declaration is necessary and appropriate at this time under the circumstances in order that Plaintiff may ascertain his rights and duties regarding the obligations, if any, he owes to SAUNO under Exhibit "D".

# **PRAYER FOR RELIEF**

**WHEREFORE, Plaintiff prays judgment against Defendants as follows:**

## **On the FIRST CAUSE OF ACTION:**

1. For a declaration that the purported deed is void;
2. That EDITH SAUNO and ALBERTO SAUNO deliver the purported deed forthwith to the clerk of the court for cancellation;
3. For costs of suit incurred herein;
4. For exemplary or punitive damages in a sum to be established at trial;
5. For such other further relief as the court may deem proper.

## **On the SECOND CAUSE OF ACTION:**

1. For judgment that Plaintiff is the owner in fee simple of the Griffin Property and that defendants, including but not limited to EDITH SAUNO and ALBERTO SAUNO, have no interest in the Griffin Property adverse to the Plaintiff;
2. For costs of suit incurred herein;
3. For such other further relief as the court may deem proper.

## **On the THIRD CAUSE OF ACTION:**

1. For the recovery of special damages in a sum to be established at trial;
2. For prejudgment interest on the principal sum as allowed by law;
3. For post judgment interest on the principal sum as allowed by law;

1           4.     For costs of suit incurred; and

2           5.     For any further relief as the court may deem proper.

3     **On the FOURTH CAUSE OF ACTION:**

4           1.     For general damages in a sum to be established at trial;

5           2.     For special damages in a sum to be established at trial;

6           3.     For punitive damages in an amount appropriate to punish SAUNO and deter  
7 others from engaging in similar misconduct;

8           4.     For costs of suit incurred herein; and

9           5.     For such other and further relief as the court may deem proper.

10    **On the FIFTH CAUSE OF ACTION:**

11          1.     For general damages in a sum to be established at trial;

12          2.     For special damages in a sum to be established at trial;

13          3.     For punitive damages in an amount appropriate to punish SAUNO and deter  
14 others from engaging in similar misconduct;

15          4.     For costs of suit incurred herein; and

16          5.     For such other and further relief as the court may deem proper.

17    **On the SIXTH CAUSE OF ACTION:**

18          1.     For an order that V&S ENTERPRISES be dissolved;

19          2.     For an accounting of partnership affairs from November 21, 2001, to the present  
20 so that the account be settled between Plaintiff and EDITH SAUNO and that Plaintiff have  
21 judgment against EDITH SAUNO for whatever sums may be found due and owing to Plaintiff  
22 under the accounting;

23          3.     For costs of suit herein incurred; and

24          4.     For such other and further relief as the court may deem proper.

25    **On the SEVENTH CAUSE OF ACTION:**

26          1.     That EDITH SAUNO and ALBERTO SAUNO be ordered to execute and deliver  
27 to Plaintiff a sufficient conveyance of the property described herein;  
28

1 2. For costs of suit herein incurred; and

2 3. For such other and further relief as the court may deem proper.

3 **On the EIGHTH CAUSE OF ACTION:**

4 1. For general and special damages in an amount to be established at trial;

5 2. For costs of suit herein incurred;

6 3. For interest as permitted by law;

7 4. For such other and further relief as is permitted by law and which the court may  
8 deem proper.

9 **On the NINTH CAUSE OF ACTION:**

10 1. For a declaration that EDITH SAUNO is not an owner of QUALITY  
11 PLUMBING;

12 2. For costs of suit herein incurred; and

13 3. For such other and further relief as the court may deem proper.

14 **On the TENTH CAUSE OF ACTION:**

15 1. For a declaration that Exhibit "D" is void, voidable, or otherwise of no legal effect  
16 as to Plaintiff;

17 2. For costs of suit herein incurred; and

18 3. For such other and further relief as the court may deem proper.

19  
20 Dated: March 4, 2008

FISHMAN, LARSEN, GOLDRING & ZEITLER

21  
22 BY: 

23 Joshua S. Daniels,  
24 FISHMAN, LARSEN, GOLDRING & ZEITLER,  
25 Attorneys for Plaintiff, ARMANDO VARGAS  
26  
27  
28



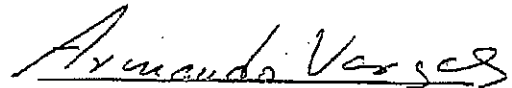
VERIFICATION

**STATE OF CALIFORNIA, COUNTY OF MONTEREY**

I have read the foregoing *VERIFIED COMPLAINT* for 1. *Cancellation Of Deed*; 2. *Quiet Title*; 3. *Conversion*; 4. *Fraud*; 5. *Breach Of Fiduciary Duty*; 6. *Dissolution Of Partnership*; 7. *Specific Performance*; 8. *Negligence*; 9. *Declaratory Relief*; 10. *Declaratory Relief* and know its contents.

I am the Plaintiff in this action. The matters stated in the foregoing document are true to my own knowledge except as to those matters which are stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct. Executed this 4<sup>th</sup> day of March, 2008, at Salinas, California.

  
Armando Vargas

VERIFICATION



Feb. 11. 2008 2:51PM

No. 5040 P. 2

**V & S Enterprises**

- 1) Dissolution of Partnership
- 2) Closing of Bank Accounts
- 3) Release of Property ownership and loans  
Armando will retain 352 Griffin Street  
Edith will retain 28 W. Lamar Street.  
& 24 W. Curtis Street

Armando Vargas  
ARMANDO VARGAS

11/9/07  
DATE

Edith Sauno  
EDITH SAUNO

11-09-2007  
DATE



Feb. 11. 2008 2:56PM

No. 5040 P. 15

RECORDING REQUESTED BY:

Order #:

APN #:

003-041-021

003-041-022

WHEN RECORDED MAIL TO

Alberto M. & Edith R. Sauno  
224 Pumas Guiteras  
San Juan Bautista, CA 95045

Stephen L. Vagnini  
Monterey County Recorder  
Recorded at the request of  
Filer

CRLJBY  
11/30/2007  
14:28:47

DOCUMENT: 2807009925

Title: 1/ Pages: 3



Fees... 14.00  
Taxes...  
Other... 2.00  
AMT PAID \$16.00

SPACE ABOVE THIS LINE FOR RECORDING USE

PARTNERSHIP Grant Deed

The undersigned grantor(s) declare(s):  
Documentary transfer tax is \$0.00  
(X) computed on full value of property conveyed, or  
( ) computed on full value less of liens and encumbrances remaining at time of sale.  
( ) Unincorporated area: (X) City of Salinas

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,  
V&S Enterprises, A California General Partnership

hereby GRANT(S) to

Edith R. Sauno and Alberto M. Sauno, Wife and Husband as Joint Tenants

that property in City of Salinas, Monterey County, State of California, described as:  
See "Exhibit A" attached hereto and made a part hereof.

Mail Tax Statements to Grantee at address above

Date November 16, 2007

State of California

County of Monterey

On November 30, 2007

GLADYS JIMENEZ ALEGRE

a Notary Public in and for said State, personally appeared

Edith R. Sauno and Armando Vargas, PARTNERS

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) were subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Name

GLADYS JIMENEZ ALEGRE

(Print or printed)

TR-140 (04)

(This area for official notary seal)

MAIL TAX STATEMENTS AS DIRECTED ABOVE





RECEIVED FEB 07 2008

LAWRENCE E. BIEGEL  
CRISTINA ALMADA BIEGEL  
VICTORIA SCHUMBER-KLEINKOFF  
JOSEPH A. CISNEROS

## NOTICE OF TERMINATION OF TENANCY

[Civ. Code § 1946]

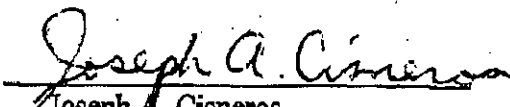
To: Armando Vargas, Owner of Quality Plumbing  
and Quality Plumbing  
352 Griffin Street  
Salinas, CA 93901

**NOTICE IS HEREBY GIVEN** that your tenancy of the premises at 352 Griffin Street, Salinas, CA 93901 is terminated as of 30 days after the date of service of this notice on you not counting the date you were served and that you must vacate the premises on or in your sole discretion before that date or you will be guilty of an unlawful detention of the premises. This notice is given in accordance with the provisions of Civil Code Section 1946.

If you fail to deliver up possession within the aforementioned 30 day period, legal proceedings will be commenced against you to recover possession and to recover a judgment for (statutory) damages for each day you hold possession beyond the 30 day period.

Rent in the is due and payable through the end of the 30 day period.

Dated: February 7, 2008

  
Joseph A. Cisneros  
Attorney for Edith Sauno





Feb. 11. 2008 2:51PM

No. 5040 P. 3

11/9/2007

From: Edith Sauno

To: Armando Vargas

- 1) Transfer all accounts payable under Edith Sauno to Quality Plumbing.
- 2) Release of all accounts payable under Edith Sauno's name to Armando Vargas.
- 3) Written notice to all Customers.
- 4) Written notice to all Vendors.
- 5) Closing of joint bank accounts.
- 6) Execute Signed statement of confidentiality between Edith Sauno & Armando Vargas DBA Quality Plumbing concerning all business relations.
- 7) Armando Vargas acknowledgemet in writing that Edith Sauno will retain ownership of 2006 Ford Pick up, License #7XB8537, and Dell laptop computer paid for by Quality Plumbing as partial compensation for Business Relationship.

- 8) Check Compesation Payments of

8 x \$2000.00

\$ 16,000.00

Vehicle and Insurance payment

\$ 2,000.00

Health Insurance payment

\$ 2,000.00

\$ 20,000.00

- 9) Final Payment Agreement of \$350,000.00 between Armando Vargas & Edith Sauno executed by Lombardo & Gilles Law Offices.

Release of Liability of all future legal matters as to any Job Contracts, Legal Documents,

Signed by Edith Sauno as Owner, Controller or Office Manager.

Armando Vargas  
 ARMANDO VARGAS

Edith Sauno  
 EDITH SAUNO

11/9/07  
 DATE

11-09-2007  
 DATE

EXHIBIT C

4/11  
 5/6

Lawrence E. Biegel (State Bar No. 044426)  
 Vicki Schermer-Kleinkopf (State Bar No. 116673)  
 Joseph A. Cisneros (State Bar No. 184907)  
**THE BIEGEL LAW FIRM**  
 2801 Monterey-Salinas Highway, Suite A  
 Monterey, CA 93940

Telephone: (831) 373-3700  
 Facsimile: (831) 373-3780

Attorneys for **EDITH SAUNO AND ALBERTO SAUNO**

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 FOR THE COUNTY OF MONTEREY**

ARMANDO VARGAS, an individual  
 dba as QUALITY PLUMBING,

Plaintiff,

vs.

EDITH R. SAUNO, an individual;  
 ALBERTO SAUNO, an individual and  
 DOES 1 through 200, inclusive,

Defendants.

Case No: M 89632

**VERIFIED CROSS COMPLAINT FOR  
 BREACH OF CONTRACT;  
 DISSOLUTION OF PARTNERSHIP &  
 ACCOUNTING & APPOINTMENT OF  
 RECEIVER; BREACH OF  
 PARTNERSHIP AGREEMENT;  
 BREACH OF FIDUCIARY DUTY;  
 CONVERSION; ACTUAL FRAUD;  
 CONSTRUCTIVE FRAUD;  
 NEGLIGENCE; DECLARATORY  
 RELIEF; DECLARATORY RELIEF;  
 SPECIFIC PERFORMANCE**

EDITH SAUNO,

Cross-Complainant

vs.

ARMANDO VARGAS, an individual  
 dba as QUALITY PLUMBING and  
 MARTINA VARGAS, an individual;  
 and DOES 201 through 300, inclusive,

Cross-Defendants.

1 COMES NOW Cross-Complainant, EDITH SAUNO and for causes of action alleges as  
2 follows:

3 **THE PARTIES**

4 1. Cross-Complainant EDITH SAUNO is, and at all times herein mentioned, was a  
5 resident of San Benito County, California.

6 2. Cross-Complainant is ignorant of the true names and capacities of cross-defendants  
7 sued herein as Does 201 through 300, inclusive, and therefore sues said cross-defendants by such  
8 fictitious names. Cross-complainant will amend this cross-complaint to allege their true names  
9 and capacities when ascertained.

10 3. Cross-Complainant is informed and believes, and thereon alleges, that at all times  
11 herein mentioned each of the cross-defendants was the agent, servant, and employee of the  
12 remaining cross-defendants and at all times herein mentioned acting within the course and scope  
13 of said agency and employment and with the permission and consent of the cross-defendants,  
14 and each of them.

15 4. Cross-Complainant is informed and believes and based upon such information and  
16 belief alleges that each cross-defendant sued herein, including Does 201 through 300, was acting  
17 as the agent, servant, employee, representing partner, and/or joint venturer of each of the other  
18 cross-defendants, and in doing the acts alleged herein, was acting within the course and scope  
19 of such agency and/or employment or other relationship, and/or aided, abetted, cooperated with,  
20 and/or conspired with one another to do the acts alleged herein. Cross-Complainant is further  
21 informed and believes, and thereon alleges, that each of the cross-defendants herein gave consent  
22 to, ratified, and authorized the acts alleged herein to each of the remaining cross-defendants.

23 5. Cross-Defendants ARMANDO VARGAS and MARTINA VARGAS are, and at  
24 all times herein mentioned, were residents of Monterey County, California.

25 **GENERAL ALLEGATIONS**

26 6. Beginning in approximately 1999, Edith Sauno (hereinafter "Ms. Sauno") and  
27 Armando Vargas (hereinafter "Mr. Vargas") entered into a business agreement to operate, run  
28 and own a plumbing business by the name of Quality Plumbing.

1 7. Although no formal partnership agreement was executed in order to operate  
2 Quality Plumbing, Mr. Vargas and Ms. Sauno formed a partnership in accordance with the  
3 provisions of Corporation Code § 16202. For all intents and purposes Mr. Vargas and Ms.  
4 Sauno were co-owners of the business, Quality Plumbing, and it was their intention of carrying  
5 on as a business as co-owners for a profit.

8. From the time period of 1999 to the end of 2007, Mr. Vargas and Ms. Sauno both contributed money and capitol to Quality Plumbing. As a partial example of Ms. Sauno's capital contributions to Quality Plumbing, attached hereto as Exhibit A are copies of checks from Edith Sauno's personal checking account to various entities. These checks demonstrate personal payments made by Ms. Sauno at the creation of Quality Plumbing for various business necessities, such as obtaining city licenses, fictitious business statement publication, business signs, office supply equipment, etc.

9. From the time period of 1999 to November of 2007, both Mr. Vargas and Ms. Sauno had the right of joint participation in the management and control of Quality Plumbing. Both Mr. Vargas and Ms. Sauno conducted themselves as co-owners of Quality Plumbing. Both Mr. Vargas and Ms. Sauno shared in the profits of Quality Plumbing. Both Mr. Vargas and Ms. Sauno worked at Quality Plumbing. Both Mr. Vargas and Ms. Sauno had the authority to execute a legally binding agreement on behalf of Quality Plumbing.

10. From the time period of 1999 to November of 2007, both Mr. Vargas and Ms. Sauno held themselves out to customers, suppliers, vendors, competitors and general public as co-owners of Quality Plumbing. As only a partial example of this, attached hereto as Exhibit B, are documents where Ms. Sauno executed binding agreements, bids, and other documents as a co-owner of Quality Plumbing on behalf of Quality Plumbing.

11. On or about November of 2001 Mr. Vargas and Ms. Sauno entered into a second partnership agreement to operate a second business called V&S Enterprises.

12. On or about November 9, 2007, Mr. Vargas and Ms. Sauno agreed to dissolve and terminate their partnership agreements for the businesses of Quality Plumbing and V & S Enterprises.

1           13. In connection with the Quality Plumbing partnership, Mr. Vargas and Ms. Sauno  
 2 prepared and executed a written agreement which called for Mr. Vargas to buy out any and all  
 3 ownership interest Ms. Sauno had in Quality Plumbing. A copy of this written agreement is  
 4 attached as Exhibit C and incorporated by reference herein. This agreement will be referred to  
 5 as the "Quality Plumbing settlement agreement."

6           14. The Quality Plumbing settlement agreement called for the parties to: Transfer all  
 7 accounts payable to Edith Sauno to Quality Plumbing; Release all accounts payable to Edith  
 8 Sauno to Quality Plumbing; Provide written notice of the ownership change to all customers;  
 9 Provide written notice of said change to all Vendors; Close all joint bank accounts; Execute a  
 10 joint statement of confidentiality; Mr. Vargas acknowledged that Ms. Sauno would retain  
 11 ownership of a 2006 Ford Truck and a Dell laptop computer as partial compensation for interest  
 12 in the business relationship; Payment by Mr. Vargas of \$370,000 to Edith Sauno; A release of  
 13 liability as to all future legal issues for Edith Sauno.

14           15. The most important part of the settlement agreement, contained in paragraphs 8  
 15 and 9, called for Mr. Vargas to pay Ms. Sauno the total sum of \$370,000.00. To date, Mr.  
 16 Vargas has not paid this sum of money despite repeated requests.

17           16. On or about November 9, 2007, Ms. Sauno and Mr. Vargas agreed to dissolve their  
 18 other partnership, V&S Enterprises (hereinafter referred to as the "V&S Enterprises settlement  
 19 agreement"). A copy of the V&S Enterprises settlement agreement is attached hereto as Exhibit  
 20 D. and incorporated by reference herein. The V&S Enterprises settlement agreement was  
 21 executed in conjunction with the Quality Plumbing settlement agreement, both on November 9,  
 22 2008. When the parties signed the V&S Enterprises settlement agreement, V&S Enterprises had  
 23 an ownership interest in three pieces of real property, all located in Salinas, CA. The addresses  
 24 of the three pieces of real property are 352 Griffin Street, 28 West Lamar Street and 24 West  
 25 Curtis Street.

26           17. The V&S Enterprises settlement agreement called for Mr. Vargas to retain any  
 27 ownership agreement owned by the partners in the real property located at 352 Griffin Street,  
 28 Salinas. The V&S Enterprises settlement agreement called for Ms. Sauno to retain any



ownership agreement owned by the partners in the two pieces of real property located at 28 West Lamar Street and 24 West Curtis Street, both in Salinas.

18. After the execution of the November 9, 2007 the parties decided to modify and/or amend the property division set forth in the V&S Enterprises settlement agreement. Specifically, the parties agreed that Ms. Sauno would take ownership of the two properties located at 28 West Lamar Street and 352 Griffin Street and Mr. Vargas would take ownership of the real property located at 24 West Curtis Street. This modification to the V&S Enterprises settlement agreement was fully executed when the grant deeds, to all three pieces of real property were signed and notarized by the parties several days after the original V&S Enterprises settlement agreement was signed.

19. A copy of the grant deed in which V&S Enterprises grants all ownership interest in the 352 Griffin Street property to Edith Sauno and her husband Alberto Sauno is attached hereto as Exhibit E and incorporated by reference herein. This grant deed was executed by both Mr. Vargas and Ms. Sauno. The property description identifies this piece of real property as being on Griffin Street.

20. A copy of the grant deed in which V&S Enterprises grants all ownership interest in the 24 West Curtis Street property to Mr. Vargas and his wife Martina Vargas is attached hereto as Exhibit F and incorporated by reference herein. This grant deed was executed by both Mr. Vargas and Ms. Sauno. The property description identifies this piece of real property as being on Curtis Street. Furthermore, attached as Exhibit G, and incorporated by reference herein, is a copy of Preliminary Change of Ownership for the West Curtis Street property. Said document is signed by Mr. Vargas and clearly identifies the property address being transferred as being 24 West Curtis Street, Salinas CA 93906.

21. A copy of the grant deed in which V&S Enterprises grants all ownership interest in the 28 West Lamar Street property to Edith Sauno and her husband Alberto Sauno is attached hereto as Exhibit H and incorporated by reference herein. This grant deed was executed by both Mr. Vargas and Ms. Sauno.

22. On November 20, 2008, Mr. Vargas executed the grant deed in which he gave up all ownership interest in the real property located at 352 Griffin Street, Salinas, CA. Since January of 2008, neither Mr. Vargas or Quality Plumbing, have made any mortgage payments for the property located at 352 Griffin Street, Salinas, CA. Any all such mortgage payments have been made by Ms. Sauno. Mr. Vargas has also not paid any rent for his ongoing physical possession of the premises of the real property which is located at 352 Griffin Street, Salinas, CA.

**FIRST CAUSE OF ACTION**

**[Breach of Contract - As to Armando Vargas Only]**

23. Cross-Complainant refers to and incorporates herein by reference as though fully set forth at length herein paragraphs 1-22 above.

24. On or about November 9, 2007, in Salinas, Monterey County, California, Mr. Vargas and Ms. Sauno entered into a written agreement to terminate any financial and/or ownership interest that Ms. Sauno had in Quality Plumbing. This agreement has previously been identified as the Quality Plumbing settlement agreement, a copy of which has already been identified as being attached as Exhibit C.

25. Ms. Sauno has performed all conditions, covenants, and promises required on its part to be performed in accordance with the terms and conditions of the settlement agreement.

26. Since the date of the execution of the settlement agreement, Mr. Vargas breached the settlement agreement by failing to pay Ms. Sauno the amount of \$370,000.00 or any sums whatsoever.

27. As a result of the breach of the settlement agreement by Mr. Vargas, Ms. Sauno has been damaged in an amount equaling \$370,000, plus any and all applicable interest.

**WHEREFORE**, Cross-Complainant prays for judgment against the cross-defendants, and each of them, as hereinafter set forth below.

///

///

///

**SECOND CAUSE OF ACTION**

**[Dissolution of Partnership, Accounting & Appointment  
of Receiver - As to Armando Vargas Only]**

28. Cross-Complainant incorporates herein by reference as though fully set forth at length herein paragraphs 1-27 above.

29. On or about 1999, Cross-Complainant and Cross-Defendant entered into an oral partnership agreement in Salinas, Monterey County, California, for the purpose of carrying on a plumbing contractor business, under the name of Quality Plumbing. The partnership's principal place of business is located in Salinas, Monterey County, California. The partnership has conducted the aforementioned business from that time.

30. Cross-Complainant has performed all conditions, covenants, and promises required to be performed by her in accordance with the terms and conditions of the partnership agreement.

31. Since the commencement of the partnership, disagreements and disputes have arisen between Mr. Vargas and Ms. Sauno regarding matters of policy in the operation of the partnership business. On or about November of 2007, Mr. Vargas and Ms. Sauno mutually decided to end their partnership and business relationship in Quality Plumbing by having Mr. Vargas buy out any and all interest that Ms. Sauno had in Quality Plumbing.

32. Cross-Complainant is entitled to dissolution of the partnership by court decree, pursuant to Corporations Code Section 16801(5), in that Mr. Vargas has engaged in conduct relating to partnership business that makes it not reasonably practicable to carry on the business in the partnership.

33. Mr. Vargas is in possession of the partnership books, assets, and accounts. As a result, the amount of partnership assets and liabilities is unknown to Ms. Sauno and cannot be ascertained without an accounting of profits and losses that occurred during the operation of the partnership business.

34. The original partnership agreement provides that the division of profits is to be split evenly as between the parties.

35. Mr. Vargas has failed and refused, and continues to refuse to settle accounts and divide partnership assets and liabilities with Ms. Sauno.

36. Unless a receiver is appointed by the court to take possession of, care for, manage, and operate the partnership assets and property, such property and assets are in danger of being lost, removed, or materially destroyed, in that Mr. Vargas is in control of the partnership business, and was and is applying partnership funds to his own use, in excess of his interest in the partnership business.

### THIRD CAUSE OF ACTION

#### [Breach of Partnership Agreement - As to Armando Vargas Only]

37. Cross-Complainant incorporates herein by reference as though fully set forth at length herein paragraphs 1-36 above.

38. On or about 1999, Mr. Vargas and Ms. Sauno entered into a partnership agreement in Salinas, Monterey County, California, for the purpose of carrying on a plumbing contractor business, under the name of Quality Plumbing. The partnership's principal place of business is located in Salinas, Monterey County, California. The partnership has conducted the aforementioned business from that time.

39. Ms. Sauno has performed all conditions, covenants, and promises required to be performed on her part in accordance with the terms and conditions of the partnership/business agreement.

40. On or about November of 2007, Mr. Vargas breached the partnership contract by repudiating the existence of the partnership and denying Ms. Sauno's interest in the partnership business and partnership assets, and by converting partnership assets to his own use. Furthermore, Mr. Vargas has also failed to pay Ms. Sauno any funds or money for her interest in the partnership.

41. As a proximate result of Mr. Vargas' breach of the partnership contract, Ms. Sauno has suffered damage in that she contributed significant capital, labor, business skill and other assets to the partnership business. Furthermore, she contributed services in management of the partnership business, with a value of in an amount to be determined. Ms. Sauno has also lost

1 profits and continues to lose profits that would have been earned by Quality Plumbing but for  
 2 Mr. Vargas' breach, in an amount to be determined.

### 3 **FOURTH CAUSE OF ACTION**

#### 4 **[Breach of Fiduciary Duty - As to Armando Vargas Only]**

5 42. Cross-Complainant incorporates herein by reference as though fully set forth at  
 6 length herein paragraphs 1-41 above.

7 43. By intentionally repudiating the existence of the partnership for Quality Plumbing  
 8 and denying Ms. Sauno's interest in the partnership business, and by converting partnership  
 9 assets to his own use, Mr. Vargas has breached the duty of care imposed by Corporations Code  
 10 Section 16404(c) to the partnership and to Ms. Sauno.

11 44. As a proximate result of Mr. Vargas' breach of his fiduciary duty of care to the  
 12 partnership, Ms. Sauno has suffered damage in that she contributed significant capital, labor,  
 13 business skill and other assets to Quality Plumbing. Ms. Sauno also contributed services in  
 14 management of the partnership business with a value of in an amount to be determined. Ms.  
 15 Sauno has also lost profits and continues to lose profits that would have been earned by Quality  
 16 Plumbing but for Mr. Vargas' breach of his fiduciary duty, all in an amount to be determined.

### 17 **FIFTH CAUSE OF ACTION**

#### 18 **[Conversion - As to Armando Vargas Only]**

19 45. Cross-Complainant incorporates herein by reference as though fully set forth at  
 20 length herein paragraphs 1-44 above.

21 46. At all times herein mentioned, and in particular on or about the years of 1999 to  
 22 November of 2007, Ms. Sauno was a partner/owner at the time property and assets were acquired  
 23 by Quality Plumbing, and still is, an owner, and was, and still is, entitled to the possession of the  
 24 following property: A percentage of the business interest in Quality Plumbing. Additionally,  
 25 Ms. Sauno is entitled to a percentage of any and all revenue, income, goodwill accounts  
 26 receivable and other financial assets belonging to Quality Plumbing from the date of creation of  
 27 Quality Plumbing to the present time, all in an amount according to proof.



47. As a proximate result of Mr. Vargas' conversion of the above-mentioned property, Ms. Sauno has failed to receive a percentage of Quality Plumbing and/or any all business revenue, to Ms. Sauno's damage in the sum according to proof.

48. In doing the acts herein alleged, Mr. Vargas acted with oppression, fraud, and malice and Ms. Sauno is entitled to punitive damages

#### SIXTH CAUSE OF ACTION

##### [Actual Fraud - As to Armando Vargas Only]

49. Cross-Complainant incorporates herein by reference as though fully set forth at length herein paragraphs 1-48 above.

50. By entering into the partnership/business agreement to form Quality Plumbing Mr. Vargas promised that Ms. Sauno that they would share equally in the ownership of the partnership business and assets and in the profits and losses of the partnership business.

51. At the time Mr. Vargas made the promise to Ms. Sauno, he had no intention of performing that promise.

52. The promise was made by Mr. Vargas with the intent to induce Ms. Sauno to contribute her time, money, capitol, business skills labor and other services to Quality Plumbing from which he could gain profits and benefits for himself.

53. Ms. Sauno, at the time the promise was made and at the time Ms. Sauno took the actions herein alleged, was ignorant of Mr. Vargas' secret intention not to perform and could not, in the exercise of reasonable diligence, have discovered Mr. Vargas' secret intention. In reliance on Mr. Vargas' promises, Ms. Sauno contributed her time, money, capitol, business skills labor and other services to Quality Plumbing. If Ms. Sauno had known of Mr. Vargas' actual intentions, she would not have taken that action.

54. As a proximate result of Mr. Vargas' fraud and the facts alleged in this complaint, Ms. Sauno was induced to, and did, contribute capitol, labor, skill, and other valuable services to Quality Plumbing with a value in an amount to be determined.

#### SEVENTH CAUSE OF ACTION

##### [Constructive Fraud - As to Armando Vargas Only]

1 55. Cross-Complainant incorporates herein by reference as though fully set forth at  
2 length herein paragraphs 1-54 above.

3 56. By virtue of the partnership/business agreement, the relationship between Ms.  
4 Sauno and Mr. Vargas was fiduciary in nature. Mr. Vargas thereby owed Ms. Sauno the  
5 fiduciary duties of loyalty and care, and the obligation to conduct Quality Plumbing in good faith  
6 and fair dealing. Because Ms. Sauno's confidence in Mr. Vargas' integrity caused her to entrust  
7 him with the authority to act for the partnership, a confidential relationship existed at all times  
8 herein mentioned between them.

9 57. Mr. Vargas breached his fiduciary duties to Ms. Sauno and violated the  
10 relationship of trust and confidence by agreeing to buy out her interest for the sum of \$370,00,  
11 by then excluding Ms. Sauno from her interests and assets in Quality Plumbing and by securing  
12 an advantage over Ms. Sauno by misleading her to her prejudice.

13 58. Ms. Sauno placed confidence in and relied on Mr. Vargas until on or about the  
14 beginning of 2008, when she discovered Mr. Vargas' acts committed in breach of his fiduciary  
15 duties. Until the beginning of 2008, Ms. Sauno had reasonably relied on Mr. Vargas in view of  
16 their relationship as partners and co-owners..

17 59. As a result of Mr. Vargas' fraud as herein alleged, Ms. Sauno has been damaged  
18 in an amount according to proof.

19 **EIGHTH CAUSE OF ACTION**

20 **[Negligence - As to Armando Vargas Only]**

21 60. Cross-Complainant incorporates herein by reference as though fully set forth at  
22 length herein paragraphs 1-59 above.

23 61. As co-owner of Quality Plumbing and V&S Enterprises, Mr. Vargas owed Ms.  
24 Sauno a duty of care to refrain from actions which would hurt their joint business interests.

25 62. Mr. Vargas breached his duty to Ms. Sauno when he negligently used partnership  
26 assets and money for his own personal use.

27 63. As a direct and proximate result of Mr. Vargas' negligence, Ms. Sauno was  
28 damaged in an amount according to proof.

**NINTH CAUSE OF ACTION**

**[Complaint for Declaratory Relief - As to Armando Vargas Only]**

64. Cross-Complainant incorporates herein by reference as though fully set forth at length herein paragraphs 1-63 above.

65. An actual controversy has arisen and now exists between Cross-Complainant Edith Sauno, and Cross-Defendants Armando Vargas and Martina Vargas, concerning their respective rights and duties in connection with the Quality Plumbing settlement agreement which has already been identified as being attached hereto as Exhibit C. Edith Sauno contends that the Quality Plumbing settlement agreement is valid, binding and as result that Armando Vargas owes Edith Sauno funds pursuant to said agreement. Whereas Mr. Vargas and Martina Vargas dispute these contentions and contends that they do not have any duty to perform the conditions set forth in the Quality Plumbing settlement agreement .

66. Ms. Sauno desires a judicial determination of the party's rights and duties under the Quality Plumbing settlement agreement .

67. A judicial declaration is necessary and appropriate at this time under the circumstances in order that the parties may ascertain their rights and duties.

68. Edith Sauno will suffer legal detriment if the Quality Plumbing settlement agreement is held to be not enforceable.

**TENTH CAUSE OF ACTION**

**[Complaint for Declaratory Relief - As to Both Parties]**

69. Cross-Complainant incorporates herein by reference as though fully set forth at length herein paragraphs 1-68 above.

70. An actual controversy has arisen and now exists between Cross-Complainant Edith Sauno, and Cross-Defendants Armando Vargas and Martina Vargas, concerning their respective rights and duties in connection with the V&S settlement agreement which is attached hereto as Exhibit D. This Exhibit calls for the division of three pieces of real property in Salinas, CA by the parties.



71. Ms. Sauno contends that while the agreement was valid it was modified by a subsequent agreement by the parties in that the parties agreed to keep different pieces of real property than those initially agreed upon in the V&S settlement agreement. Under Civil Code § 1698, Ms. Sauno contend that this was a valid oral modification that was then executed by the signing of the subsequent three grant deeds by the parties. Alternatively or in addition, Ms. Sauno contends that under Civil Code § 1698, there was a valid written modification and the written modification was the executed grant deeds for the three pieces of real property referenced in V&S settlement agreement. Whereas Mr. Vargas and Martina Vargas dispute Ms. Sauno's contentions and contend that there was no subsequent modification of the V&S settlement agreement and that Mr. Vargas was somehow "tricked" or misled by Ms. Sauno to sign grant deeds which was contrary to his desired intent.

12           72.   Ms. Sauno desires a judicial determination of the party's rights and duties under  
13   Exhibit D.

73. A judicial declaration is necessary and appropriate at this time under the  
circumstances in order that the parties may ascertain their rights and duties.

74. Any determination of the rights and duties under Exhibit D will affect the ownership rights for three pieces of real property in Salinas, Monterey County, CA.

18 75. As such, Ms. Sauno will suffer legal detriment if said Exhibit D is held to be not  
19 enforceable.

### ELEVENTH CAUSE OF ACTION

**[Complaint for Specific Performance - As to Armando Vargas Only]**

76. Cross-Complainant incorporates herein by reference as though fully set forth at length herein paragraphs 1-75 above.

24 77. On or about November of 2007, at Salinas, Monterey County, California, Ms.  
25 Sauno and Mr. Vargas entered into the Quality Plumbing settlement agreement, a copy of which  
26 is attached as Exhibit C and incorporated by reference herein.

78. The consideration set forth in the Quality Plumbing settlement agreement was the fair and reasonable value of Mr. Vargas' purchasing or buying out any and all ownership interest

1 that Edith Sauno had in the Monterey County business Quality Plumbing. The Quality Plumbing  
2 settlement agreement is, as to Mr. Vargas, is both just and reasonable.

3 79. Ms. Sauno has performed all reasonable conditions, covenants, and promises  
4 required by her on her part to be performed in accordance with the terms and conditions of the  
5 contract shown in Quality Plumbing settlement agreement.

6 80. Mr. Vargas has failed and refused, and continues to fail and refuse, to perform the  
7 conditions of the Quality Plumbing settlement agreement on his part in that he has failed to pay  
8 the consideration due and owing to Ms. Sauno.

9 81. For the reasons stated herein, Ms. Sauno has no adequate legal remedy and  
10 demands specific performance of the contract terms of the Quality Plumbing settlement  
11 agreement;

12 **WHEREFORE**, Ms. Sauno prays for judgment against Mr. Vargas as follows:

13 1. For compensatory damages in an amount according to proof, with interest thereon  
14 at the legal rate.

15 2. For exemplary and punitive damages in an amount according to proof;

16 3. For damages in the amount of \$370,00, plus interest;

17 4. For an order that the partnership be dissolved;

18 5. For an accounting of Quality Plumbing from the beginning of Quality Plumbing  
19 in 1999 to the present date, that the account be settled between Mr. Vargas and Ms. Sauno, and  
20 that Ms. Sauno have judgment against Mr. Vargas for whatever sums may be found due and  
21 owing to her under the accounting;

22 6. For the appointment of a receiver to take over management and control of Quality  
23 Plumbing property and assets, to wind up partnership affairs, to control partnership business until  
24 winding up is completed, and to keep partnership assets until their division between the partners;

25 7. For costs of suit herein incurred;

26 8. For attorney fees;

27 9. For payment of reasonable back rent for Mr. Vargas' ongoing physical possession  
28 of Ms. Sauno's real property located at 352 Griffin Street in Salinas; and

1           10. For any other and further relief as the court may deem proper.

2 Dated: April 3, 2008

3                           **THE BIEGEL LAW FIRM**

4                           By: Joseph Cisneros  
5                                 Lawrence E. Biegel  
6                                 Joseph A. Cisneros  
7                                 Attorneys for Edith and Alberto Sauno

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**VERIFICATION**

I, Edith Sauno, am the Cross-Complainant and Defendant in the above-entitled proceeding. I have read the foregoing **VERIFIED CROSS COMPLAINT FOR DAMAGES** and know the contents thereof. The same is true of my own knowledge, except as to those matters that are therein alleged on information and belief, and as to those matters, I believe it to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: April 3, 2008

  
\_\_\_\_\_  
Edith Sauno  
Cross-Complainant and Defendant



557-9 5955 90-7162/3222 1226  
1794905150

**EDITH R. SAUNO**  
1114 CORTEZ ST. #A  
SALINAS, CA 93905  
DL# C5256911 PH. 831-757-5211

**Secretary of State** \$72.00  
**Seventy-two & 00/100**

**Washington Mutual**  
Washington Mutual Bank, FA  
Salinas-Alisal Financial Center 1335  
800 East Alisal Street  
Salinas, CA 93905  
1-800-768-7000  
24 hour Customer Service

*Edith R. Sauno*

⑆32227⑆627⑆179⑆4905⑆5⑆0⑆ 1226 ⑈0000007200⑈

1311 90-7162/3222

**Edith R. Sauno**  
1114 Cortez Street, # A  
Salinas, Ca 93905  
DL# C5256911 Ph. 831-757-5211 DATE **5-4-99**

**City of Colroy** \$60.00  
**Sixty & 00/100**

**Washington Mutual**  
Washington Mutual Bank, FA  
Salinas-Alisal Financial Center 1335  
800 East Alisal Street  
Salinas, CA 93905  
1-800-768-7000  
24 hour Customer Service

*Edith R. Sauno*

⑆32227⑆627⑆179⑆4905⑆5⑆0⑆ 1311 ⑈0000006000⑈

90-7162/3222 1295  
1794905150

**EDITH R. SAUNO**  
1114 CORTEZ ST. #A  
SALINAS, CA 93905  
DL# C5256911 PH. 831-767-5211

**The Salinas Californian** \$95.00  
**Ninety-five & 00/100**

**Washington Mutual**  
Washington Mutual Bank, FA  
Salinas-Alisal Financial Center 1335  
800 East Alisal Street  
Salinas, CA 93905  
1-800-768-7000  
24 hour Customer Service

*Edith R. Sauno*

⑆32227⑆627⑆179⑆4905⑆5⑆0⑆ 1295 ⑈0000009500⑈

90-7162/3222 1296  
1794905150

**EDITH R. SAUNO**  
1114 CORTEZ ST. #A  
SALINAS, CA 93905  
DL# C5256911 PH. 831-757-5211

**Office Depot** \$65.39  
**Sixty-five & 39/100**

**Washington Mutual**  
Washington Mutual Bank, FA  
Salinas-Alisal Financial Center 1335  
800 East Alisal Street  
Salinas, CA 93905  
1-800-768-7000  
24 hour Customer Service

*Edith R. Sauno*

⑆32227⑆627⑆179⑆4905⑆5⑆0⑆ 1296 ⑈0000006539⑈

90-7162/3222 1297  
1794905150

**S** EDITH R. SAUNO  
1114 CORTEZ ST. #A  
SALINAS, CA 93905  
DL# C5256911 PH. 831-757-5211

4-28-99

Pay to the order of Office Depot \$ 55.72  
Twenty-five and 72/100

**Washington Mutual**  
Washington Mutual Bank, PA  
Salinas-Alisal Financial Center 1336  
800 East Alisal Street  
Salinas, CA 93905 1-800-788-7000  
24 Hour Customer Service

*Edith R. Sauno*

⑆322271627⑆179⑆490515⑆0⑆1297⑆00000025⑆2⑆

1336  
90-7162/3222

**S** EDITH R. SAUNO  
831-757-5211  
1114 CORTEZ ST UNIT A  
SALINAS, CA 93905-1898

Date 5/29/99

Pay to the order of G.T.O. Printers \$ 104.03  
One hundred-four and 03/100

**Washington Mutual**  
Washington Mutual Bank, PA  
Salinas-Alisal Financial Center 1336  
800 East Alisal Street  
Salinas, CA 93905 1-800-788-7000  
24 Hour Customer Service

*Edith R. Sauno*

⑆322271627⑆179⑆490515⑆0⑆1336⑆00000010403⑆

[illegible][illegible]





[illegible]

**S**

**EDITH F. SAUNO**  
608 CORTIS ST.  
SILVERDALE, CA - 95765  
DL-CEBENRIN-PHS-BE-767-3211

**Copied & Repet.**

**Washington Mutual**

**COPIES**

**HOLK 99**

**MAY 72**

**1297**

ENDORS HERE  
Associate 5146  
Reg #001 T'wan #6274  
POS Version 41.00

04/26/99 13:45  
Reg #011 Tran #0073  
POS Version 4.00  
Store #0925  
Associate 2396  
CHK # 1296  
RTN  
BAN  
322271627/0  
1794905150  
CHK # 1296

90-71827322  
178-985183

1296

11-26-99

10000005539

DO NOT WRITE, STAMP OR SIGN ON THIS LINE

S  
 EDITH F. SAUNO  
 1414 CORTIZ ST. #A  
 SAILING, CA 94065  
 DIST. C5248911, P# 8317, 19750117  
 The Sausalito Co. MEDICAL 149500  
 10/24/75  
 1295  
 Washington Mutual  
 100000009500



ENDORSE HERE: PAY TO THE ORDER OF  
BANK OF AMERICA  
CITY OF BIRMINGHAM  
FOR DEPOSIT ONLY 40147-80200  
02-0040641/05-04-99/60.00

DO NOT SIGN/WRITE/STAMP BELOW THIS LINE  
FOR FINANCIAL INSTITUTION USE ONLY

40209

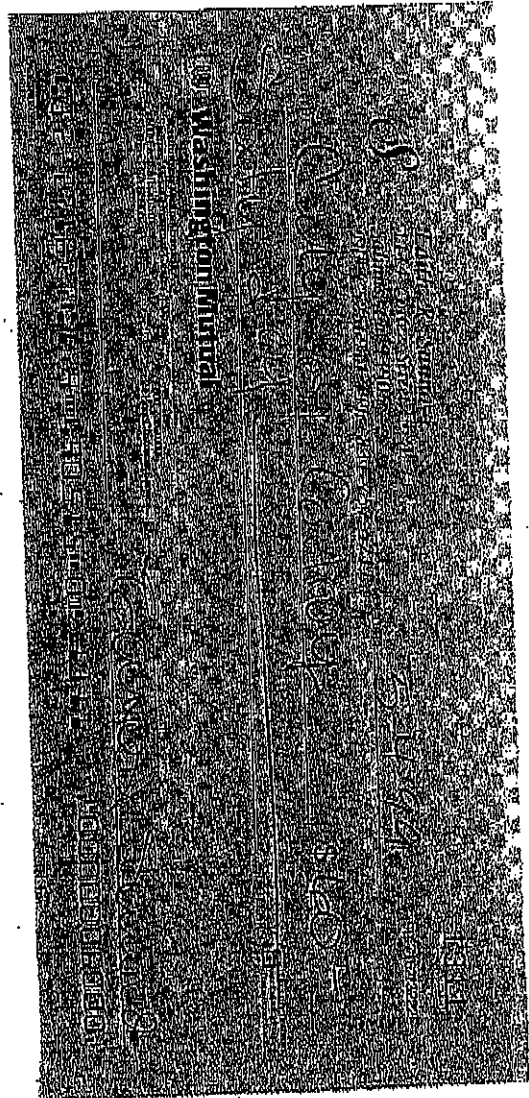
10/07/08

MAY -5 98

FEDERAL RESERVE BANK REGULATION CC

1

Security features include a Microprint band, a color-shifting ink, and a security thread. For more information, visit [www.frb.org](http://www.frb.org).



MONTEREY COUNTY  
OFFICE OF THE COUNTY CLERK  
240 CHURCH ST.  
SALINAS, CA 93901  
(408)755-5450

**FICTITIOUS BUSINESS NAME PUBLICATION REQUIREMENTS**

To complete your Fictitious Business Name (FBN) filing, you are **required** to do the following (Business & Professions Code section 17917 and Government Code section 6064):

1. Publish the statement, Abandonment, or Withdrawal in adjudicated newspaper of general circulation in Monterey County. Adjudicated newspapers that are authorized to publish legal notices in Monterey County are listed on the reverse side of these instructions.
  - a. The first date of publication must be **within 30 days** of the date the document was filed as shown by the file stamp in the upper, right-hand corner of the document. Go to the newspaper early in the 30-day period so the newspaper has enough lead time to begin publication by the 30<sup>th</sup> day. Verify with the newspaper the first date the FBN document will be published, in order to ensure that the publication will begin within the required 30-day time period.
  - b. The statement must be published **once a week for four consecutive weeks, with a least five days between each publication date**, not counting the actual dates published.
  - c. The newspaper selected should be one that circulates in the area where the business is to be conducted.
  - d. Read the newspaper publication on the first day that it appears in the newspaper to ensure that it is correct and to verify the four publication dates. If necessary, contact the newspaper to correct the publication. If a correction is necessary, the first date of the corrected publication must be within the required 30-day time period.
2. File the proof of publication with the County Clerk. The Proof of publication is an affidavit from the newspaper showing that the Statement, Abandonment, or Withdrawal was published on the four publication dates indicated.
  - a. The proof of publication must be filed with the County Clerk **within 30 days** of the last (fourth) date of publication. **This is the registrant's responsibility.** County Clerk office hours are Monday through Friday, 8:00 a.m. to 4:00 p.m.
  - b. The proof of publication may be mailed to the County Clerk at the address shown above, as long as it will arrive within the 30-day time period. Check with your newspaper – some newspapers mail a copy of the proof of publication to the County Clerk's Office as a courtesy to their customers; however, the registrant is still responsible for ensuring that this proof is filed with the County clerk in a timely manner. If both the registrant and the newspaper file a proof of publication, the second one received will be discarded.
  - c. We recommend that, after 15 days following the fourth publication date, you call our office at (408)755-5450 to verify that the proof of publication has been filed. This will allow sufficient time to ensure that filing occurs within the 30-day time period.

**NOTE:** The Business & Professions code requires the FBN Statement, Abandonment, and Withdrawal to be published and the proof of publication to be filed within the time guidelines listed above. **If these required time guidelines are not met, the County Clerk's Office will not file the proof of publication** and the FBN filing will not be complete. A complete FBN filing will require refiling and republishing.

Joseph F. Pitta  
Monterey County  
Clerk

09/18/99

11:19:20

Receipt # 17018  
Wkstn ID W3291016R1  
File # F-0000390733

Fictitious Business Names

Public  
Utility PLUMBING

Fees

\$20.00

\*\* TOTAL

20.00

Cash

20.00

PLEASE KEEP THIS RECEIPT FOR REFERENCE

CUSTOMER'S COPY

**THE California**  
THE ONE TO TURN TO

Telephone (408) 424-2221  
123 W. ALISAL ST., P.O. BOX 81091 • SALINAS, CA 93912

30359

Date 4-26-99

Name Quality Plumbing  
Address 1319 Burton Ave.  
City Salinas State CA Zip 93904  
Phone # 757-5211 Salesperson # \_\_\_\_\_

Route \_\_\_\_\_

Form \_\_\_\_\_

C/C ☐

Check ☒

Cash ☐

**PAID**

LOCAL		Amount	
CLASS. TRANS.	DBA		
NATIONAL			
GEN'L LEDGER			
CIRC.		Paid	95.00

Account. No. \_\_\_\_\_

Rec'd By [Signature]





PROPOSAL

QUALITY PLUMBING  
1319 BURTON AVE  
SALINAS, CA 93901  
(831) 905-1141

Proposal No. ARCADIA  
GILROY  
Sheet No. 1 OF 2  
Date 03/22/99

Proposal Submitted To	Work To Be Performed At
Name <u>ARCADIA DEVELOPMENT</u>	Street <u>ARCADIA GILROY</u>
Street <u>1500 E. HAMILTON AVE SUITE 212</u>	City <u>GILROY, CALIFORNIA</u> State _____
City <u>CAMBEL,</u>	Date of Plans _____
State <u>CALIFORNIA 95008</u>	Architect _____
Telephone Number <u>(408) 371-0500</u>	

We hereby propose to furnish the materials and perform the labor necessary for the completion of

ABS PIPE FOR WASTE & VENTS, COPPER PIPE TYPE L FOR POTABLE WATER,  
BLACK STEEL PIPE FOR GAS.  
SEWER LINE NO MORE THAN 30 FEET LONG AND 5 FEET DEEP.  
WATER LINE NO MORE THAN 30 FEET LONG AND 24" DEEP.  
NOT INCLUDED WATER HEATER FLUES, FIRE SPINKLER HOOK UPS AND  
WASHING MACHINE PANS.

FIXTURE LIST: SEE ATTACHED SHEET

PLAN 501	\$7,845.00	+ 230 -	= 8075. -	= 700 -	= 8775. -
PLAN 502	\$8,325.00	+ 230 -	= 8555. -		9255. -
PLAN 503	\$8560.00	+ 230 -	= 8790. -		9490. -
PLAN 504	\$8,720.00	+ 230 -	= 8950. -		9630. -
PLAN 505	\$9,012.00	+ 230 -	= 9242. -		9942. -

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanlike manner for the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_)

with payments to be made as follows

40% ROUGH IN

40% TOP OUT

20% FINISH

Any alteration or deviation from above specifications involving extra costs will be executed only upon written order, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents, or delays beyond our control.

Respectfully submitted

Per QUALITY PLUMBING

Note — This proposal may be withdrawn by us if not accepted within 30 days

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

9450  
MADE IN USA.



**Signature**

### FIXTURE LIST

1	KITCHEN SINK	NORRIS 834-R
1	KITCHEN SINK FAUCET	PP 34-1LC
1	GARBAGE DISPOSER	WHIRLAWAY 291PC
1	ROMAN TUB	HYDRO SWIRL TWILLIGHT
1	ROMAN TUB FAUCET	PP QT6-BCMB
1	SHOWER PAN	FLORESTONE
1	SHOWER VALVE & TRIM	PP 0X8-010A/R89-7CMB-R89-986/SGL-80PC
1	LAV	STERLING 442008/442004
1	LAV FAUCET	PP H49-BCMB/H43-X8BC-15-81PC
1	WATER CLOSET	STERLING 402215/402015
1	WATER CLOSET SEAT	BEMIS 500D/1500D
1	LAUNDRY TRAY	FLORESTONE SR3
1	LAUNDRY TRAY FAUCET	H71-111
1	WATER HEATER	AMERICAN 50 GALLONS

**Arcadia Development**  
**1500 E. Hamilton Suite 212**  
**Campbell, CA 95008-0835**  
**(408) 371-0500**

May 3, 1999

Mr. Armando Vargas  
Ms. Edith Sanchez  
Quality Plumbing  
1319 Burton Ave.  
Salinas, CA 93901


Dear Armando and Edith,

Congratulations on your new venture. It is nice to be working together again!

Enclosed please find two copies of our contract for Lions Creek II Subdivision in Gilroy. Please sign the Cover Page and initial all other pages of the contract. Check Part 3 for accuracy and initial. After this is complete, please return both signed and initialed copies for execution. We will forward a fully executed copy to you.

Please call with any questions.

Sincerely,

  
Tracy Anthony  
Project Manager

SUBCONTRACT AGREEMENT

RECEIVED

MAY 17 1999

COVER PAGE

ARCADIA

PLUMBING

Project: Lions Creek II Subdivision/Gilroy, CA/500 Series

This Agreement (herein "Subcontract") is made this 26th day of April, 1999, by and between Arcadia Development Co. ("Contractor"), and Quality Plumbing Co. ("Subcontractor") for work to be performed on the Project referenced herein.

The following are hereby made parts of this agreement:

PART 1	Pricing
PART 2	Scope of Work
PART 3	Information
PART 4	Contract Provisions
PART 5	Safety Regulations

IN WITNESS WHEREOF, the parties hereto have executed this subcontract for themselves, their heirs, executors, administrators, successors and assigns as of the date first above written.

Arcadia Development Co. ("CONTRACTOR"),  
a California corporation

By: [Signature]  
Title: 6-18-99

Quality Plumbing ("SUBCONTRACTOR")

By: [Signature: Edith Sanchez]  
Edith Sanchez/Co-Owner

5-10-99  
Date



11/9/2007

From: Edith Sauno

To: Armando Vargas

- 1) Transfer all accounts payable under Edith Sauno to Quality Plumbing.
- 2) Release of all accounts payable under Edith Sauno's name to Armando Vargas.
- 3) Written notice to all Customers.
- 4) Written notice to all Vendors.
- 5) Closing of joint bank accounts.
- 6) Execute Signed statement of confidentiality between Edith Sauno & Armando Vargas DEA Quality Plumbing concerning all business relations.

7) Armando Vargas acknowledgemet in writing that Edith Sauno will retain ownership of 2006 Ford Pick up, License #7X88537, and Dell laptop computer paid for by Quality Plumbing as partial compensation for Business Relationship.

8) Check Compesation Payments of	\$	16,000.00
8 x \$2000.00	\$	2,000.00
Vehicle and Insurance payment	\$	2,000.00
Health Insurance payment	\$	<u>20,000.00</u>

9) Final Payment Agreement of \$350,000.00 between Armando Vargas & Edith Sauno executed by Lombardo & Gilles Law Offices.  
Release of Liability of all future legal matters as to any Job Contracts, Legal Documents,  
Signed by Edith Sauno as Owner, Controller or Office Manager.

Armando Vargas  
ARMANDO VARGAS  
11/9/07  
DATE

Edith Sauno  
EDITH SAUNO  
11-09-2007  
DATE





**V & S Enterprises**

- 1) Dissolution of Partnership
- 2) Closing of Bank Accounts
- 3) Release of Property ownership and loans  
Armando will retain 352 Griffin Street  
Edith will retain 28 W. Lamar Street.  
& 24 W. Curtis Street

Armando Vargas  
ARMANDO VARGAS  
11/9/07  
DATE

Edith Sauno  
EDITH SAUNO  
11-09-2007  
DATE



RECORDING REQUESTED

Stephen L. Vagnini  
Monterey County Recorder  
Recorded at the request of  
**Filer**

CRSUSY  
11/30/2007  
14:28:47

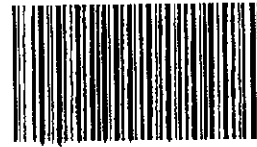
Order #:  
APN #: 003-041-021  
003-041-022

WHEN RECORDED MAIL TO

Alberto H. & Edith R. Sauno  
224 Paseo Gualarte  
San Juan Bautista, CA 95045

DOCUMENT: 2007089925

Titles: 1/ Pages: 3



Fees.... 14.00  
Taxes....  
Other... 2.00  
AMT PAID \$16.00

SPACE ABOVE THIS LINE FOR RECORDERS USE

PARTNERSHIP

## Grant Deed

The undersigned grantor(s) declare(s):  
Documentary transfer tax is \$0.00 Disolution of Partnership  
(X) computed on full value of property conveyed, or  
( ) computed on full value less of liens and encumbrances remaining at time of sale.  
( ) Unincorporated area: (X) City of Salinas

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,  
V&S Enterprises, A California General Partnership

hereby **GRANT(S)** to

Edith R. Sauno and Alberto H. Sauno, Wife and Husband as Joint Tenants

that property in City of Salinas, Monterey County, State of California, described as:  
See "Exhibit A" attached hereto and made a part hereof.

Mail Tax Statements to Grantee at address above

Date November 16, 2007

Edith R. Sauno  
Edith R. Sauno, Partner

State of California

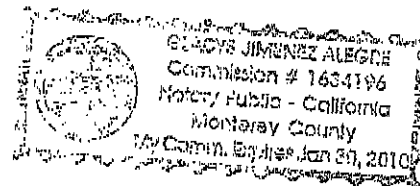
County of Monterey

On November 20, 2007 before me,  
Gladys Jimenez Alegre

Armando Vargas  
Armando Vargas, Partner

a Notary Public in and for said State, personally appeared  
Edith R. Sauno and Armando Vargas, PARTNERS

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Signature Gladys Jimenez Alegre  
Name Gladys Jimenez Alegre  
(typed or printed)

FTGIS-140 8/94

(This area for official notarial seal)

MAIL TAX STATEMENTS AS DIRECTED ABOVE

# LEGAL DESCRIPTION EXHIBIT

Certain real property situate, lying, and being in the Rancho El Sausal, within the corporate limits of the City of Salinas, in the County of Monterey, State of California, being a part of that certain 23.3 acre tract of land conveyed from E. Mae Belle Chase Holaday to California Rodeo Inc., a Corporation by Deed dated June 1, 1948 and recorded in Volume 1067, Official Records, at Page 13, said part being particularly described in Parcels I and II below:

## PARCEL I:

Beginning at a point in the Westerly line of Griffin Street, as widened to 60 feet by Deed from California Rodeo Inc., a Corporation to Salinas, a Municipal Corporation dated May 11, 1950 and recorded in Volume 1221 of Official Records, at Page 65, from which point the Southeast corner of that certain 1.0629 acre tract of land conveyed from E. Mae Belle Chase Holaday to William O. Hall, et ux, by Deed dated June 21, 1948 and recorded in Volume 1069 of Official Records, at Page 256, bears along said street line, North 3° 38 1/2' West, 240 feet distant and running thence from said point of beginning along said street line,

- (1) S. 3° 38 1/2' E., 100 feet; thence leave said street line and running
- (2) S. 86° 21 1/2' W., 225 feet; thence
- (3) N. 3° 38 1/2' W., 100 feet; thence
- (4) N. 86° 21 1/2' E., 225 feet to the place of beginning.

Courses All True.

## PARCEL II:

Beginning at a point in the Westerly line of Griffin Street, as widened to 60 feet by Deed from California Rodeo Inc., a Corporation to Salinas, a Municipal Corporation dated May 11, 1950 and recorded in Volume 1221 of Official Records, at Page 65, from which point the Southeast corner of that certain 1.0629 acre tract of land conveyed from E. Mae Belle Chase Holaday to William O. Hall, et ux, by Deed dated June 21, 1948 and recorded in Volume 1069 of Official Records, at Page 256, bears along said street line, North 3° 38 1/2' W., 190 feet distant and along said street line, N. 3° 38 1/2' W., 190 feet distant; and running thence from said point of beginning along said street line,

- (1) S. 3° 38 1/2' E., 50 feet; thence leave said street line and running
- (2) S. 86° 21 1/2' W., 225 feet; thence
- (3) S. 3° 38 1/2' E., 100 feet; thence
- (4) S. 86° 21 1/2' W., 25 feet; thence
- (5) N. 3° 38 1/2' W., 150 feet; thence
- (6) N. 86° 21 1/2' E., 250 feet to the place of beginning.

A.P. NO.: 003-041-021  
003-041-022

LEGAL	DESCRIPTION	EXHIBIT
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END OF DOCUMENT



RECORDING REQUESTED BY:

Order #:  
APN #: 003-381-011

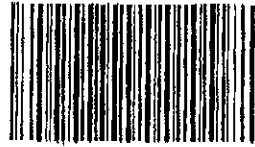
WHEN RECORDED MAIL TO

Armando & Martina Vargas  
352 Griffin Street  
Salinas, CA 93901

Stephen L. Vagnini  
Monterey County Recorder  
Recorded at the request of  
**Filer**  
CRSUSY  
11/30/2007  
14:28:47

DOCUMENT: 2007089926

Titles: 1/ Pages: 2



Fees.... 11.00  
Taxes....  
Other... 2.00  
AMT PAID \$13.00

SPACE ABOVE THIS LINE FOR RECORDERS USE

PARTNERSHIP

## Grant Deed

The undersigned grantor(s) declare(s):  
Documentary transfer tax is \$0.00 Disolution of Partnership  
(X) computed on full value of property conveyed, or  
( ) computed on full value less of liens and encumbrances remaining at time of sale.  
( ) Unincorporated area: (X) City of Salinas

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,  
V&S Enterprises, A California General Partnership

hereby **GRANT(S)** to

Armando Vargas and Martina Vargas, husband and wife as Joint Tenants

that property in City of Salinas, Monterey County, State of California, described as:  
See "Exhibit A" attached hereto and made a part hereof.

Mail Tax Statements to Grantee at address above

Date November 16, 2007

Edith R. Sauno, Partner

State of CALIFORNIA

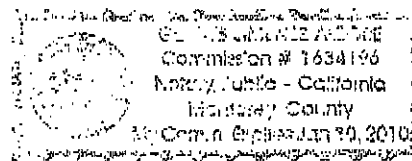
County of MONTEREY

On November 20, 2007 before me,  
Gladys Jimenez Alegre

Armando Vargas, Partner

a Notary Public in and for said State, personally appeared  
Edith R. Sauno and Armando Vargas, PARTNERS

personally known to me (or proved to me on the basis of  
satisfactory evidence) to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me  
that he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which  
the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Signature   
Name Gladys Jimenez Alegre  
(typed or printed)

FTGIS-140 8/94

(This area for official notarial seal)

MAIL TAX STATEMENTS AS DIRECTED ABOVE



A.P.N.: 003-381-011



10E-S02-A (FRONT) REV. 9 (8-05)

**PRELIMINARY CHANGE OF OWNERSHIP REPORT**

[To be completed by transferee (buyer) prior to transfer of subject property in accordance with Section 480.3 of the Revenue and Taxation Code.] A Preliminary Change of Ownership Report must be filed with each conveyance in the County Recorder's office for the county where the property is located; this particular form may be used in all 58 counties of California

FOR RECORDER'S USE ONLY

**THIS REPORT IS NOT A PUBLIC DOCUMENT**

SELLER/TRANSFEROR: V & S ENTERPRISES A CALIFORNIA GENERAL PARTNERSHIP  
BUYER/TRANSFEE: ARMANDO & MARTINA VARGAS  
ASSESSOR'S PARCEL NUMBER(S): 003-381-011

PROPERTY ADDRESS OR LOCATION: {PropAdd} 24 W. CURTIS STREET  
{PropCityStateZip} SALINAS, CA 93906

MAIL TAX INFORMATION TO: Name: ARMANDO & MARTINA VARGAS  
Address: 352 GRIFFIN STREET  
SALINAS, CA 93901  
Phone(8am-5pm) (831) 775-0201

**NOTICE:** A lien for property taxes applies to your property on January 1 of each year for the taxes owing in the following fiscal year, July 1 through June 30. One-half of these taxes is due November 1, and one-half is due February 1. The first installment becomes delinquent on December 10, and the second installment becomes delinquent on April 10. One tax bill is mailed before November 1 to the owner of record. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the Monterey County Assessor. For further information on your supplemental roll obligation, please call the Monterey Assessor at .

**PART I: TRANSFER INFORMATION (Please answer all questions)**

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| Yes                                 | No                                  |  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | A. Is this transfer solely between husband and wife (addition of a spouse, death of a spouse, divorce settlement, etc.)?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | B. Is this transaction only a correction of the name(s) of the person(s) holding title to the property (for example, a name change upon marriage)? Please explain _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | C. Is this document recorded to create, terminate, or reconvey a lender's interest in the property?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | D. Is this transaction recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest (e.g. cosigner)? Please explain <b>PARTNERSHIP DISSOLUTION</b>                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | E. Is this document recorded to substitute a trustee of a trust, mortgage, or other similar document?  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | F. Did this transfer result in the creation of a joint tenancy in which the seller (transferor) remains as one of the joint tenants?   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | G. Does this transfer return property to the person who created the joint tenancy (original transferor)?   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | H. Is this a transfer of property:   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | 1. to a revocable trust that may be revoked by the transferor and is for the benefit of the <input type="checkbox"/> transferor <input type="checkbox"/> transferor's spouse?  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | 2. to a trust that may be revoked by the Creator/Grantor who is also a joint tenant, and which names the other joint tenant(s) as beneficiaries when the Creator/Grantor dies?   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | 3. to an irrevocable trust for the benefit of the <input type="checkbox"/> Creator/Grantor and/or <input type="checkbox"/> Grantor's spouse?   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | 4. to an irrevocable trust from which the property reverts to the Creator/Grantor within 12 years?   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | I. If this property is subject to a lease, is the remaining lease term 35 years or more including written options?   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | *J. Is this a transfer between <input type="checkbox"/> parent(s) and child(ren)? <input type="checkbox"/> or from grandparent(s) to grandchild(ren)?  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | *K. Is this transaction to replace a principal residence by a person 55 years of age or older?   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Within the same county? <input type="checkbox"/> Yes <input type="checkbox"/> No   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | *L. Is this transaction to replace a principal residence by a person who is severely disabled as defined by Revenue and Taxation Code section 69.5? Within the same county? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/>            | <input type="checkbox"/>            | M. Is this transfer solely between domestic partners currently registered with the California Secretary of State?  |

If you checked yes to J, K or L, you may qualify for a property tax reassessment exclusion, which may result in lower taxes on your property.

If you do not file a claim, your property will be reassessed.

Please provide any other information that will help the Assessor to understand the nature of the transfer.

If the conveying document constitutes an exclusion from a change in ownership as defined in section 62 of the Revenue and Taxation Code for any reason other than those listed above, set forth the specific exclusions claimed: **PARTNERSHIP DISSOLUTION**

ease answer all questions in each section. If a question does not apply, indicate with "N/A." Sign and date at bottom of second page.

**PART II: OTHER TRANSFER INFORMATION**

- A. Date of transfer if other than recording date \_\_\_\_\_
- B. Type of transfer (please check appropriate box):
- |  |  |   |  |  |
|--|--|---|--|--|
| <input type="checkbox"/> Purchase  | <input type="checkbox"/> Foreclosure           | <input type="checkbox"/> Gift                   | <input type="checkbox"/> Trade or Exchange | <input type="checkbox"/> Merger, Stock, or Partnership Acquisition |
| <input type="checkbox"/> Contract of Sale - Date of Contract _____                 |  |   |  |  |
| <input type="checkbox"/> Inheritance - Date of Death _____                         |  |   |  |  |
| <input type="checkbox"/> Creation of Lease   | <input type="checkbox"/> Assignment of a Lease | <input type="checkbox"/> Termination of a Lease | <input type="checkbox"/> Sale/Leaseback    |  |
| <input type="checkbox"/> Date lease began _____                                    |  |   |  |  |
| <input type="checkbox"/> Original term in years (including written options) _____  |  |   |  |  |
| <input type="checkbox"/> Remaining term in years (including written options) _____ |  |   |  |  |
| <input type="checkbox"/> Monthly Payment _____                                     |  |   |  |  |
- C. Was only a partial interest in the property transferred? ☐ Yes ☐ No  
If yes, indicate the percentage transferred \_\_\_\_\_ %

80E-802-A (BACK) REV. 9 (8-06)

Please write Assessor's Parcel Number(s):

3-381-011

Please answer, to the best of your knowledge, all applicable questions, then sign and date. If a question does not apply, indicate with "N/A."

**PART III: PURCHASE PRICE AND TERMS OF SALE**

A. CASH DOWN PAYMENT OR Value of Trade or Exchange (excluding closing costs) Amount \$

B. FIRST DEED OF TRUST @ % interest for years. Pymts./Mo. = \$ (Prin. & Int. only) Amount \$

☐ FHA (Discount Points) ☐ Fixed rate ☐ New loan

☐ Conventional ☐ Variable rate ☐ Assumed existing loan balance

☐ VA (Discount Points) ☐ All inclusive D.T. (\$) Wrapped) ☐ Bank of savings & loan

☐ Cal-Vet ☐ Loan carried by seller ☐ Finance company

Balloon Payment ☐ Yes ☐ No Due Date Amount \$

C. SECOND DEED OF TRUST @ % interest for years. Pymts./Mo. = \$ (Prin. & Int. only) Amount \$

☐ Bank or savings & loan ☐ Fixed rate ☐ New loan

☐ Loan carried by seller ☐ Variable rate ☐ Assumed existing loan balance

Balloon payment ☐ Yes ☐ No Due Date Amount \$

D. OTHER FINANCING: Is other financing involved not covered in (b) or (c) above? ☐ Yes ☐ No

TYPE @ % interest for years. Pymts./Mo. = \$ (Prin. & Int. only)

☐ Bank or savings & loan ☐ Fixed rate ☐ New loan

☐ Loan carried by seller ☐ Variable rate ☐ Assumed existing loan balance

Balloon payment ☐ Yes ☐ No Due Date Amount \$

E. WAS AN IMPROVEMENT BOND ASSUMED BY THE BUYER? ☐ Yes ☐ No Outstanding Balance: Amount \$

F. TOTAL PURCHASE PRICE (or acquisition price, if traded or exchanged, include real estate commission if paid.)

Total Items A through E \$

G. PROPERTY PURCHASED ☐ Through a broker ☐ Direct from seller ☐ From a family member ☐ Other (please explain)

If purchased through a broker, provide broker's name and phone number:

Please explain any special terms, seller concessions, or financing and any other information that would help the Assessor understand the purchase price and terms of sale:

**PART IV: PROPERTY INFORMATION**

A. TYPE OF PROPERTY TRANSFERRED:

☐ Single-family residence ☐ Agricultural ☐ Timeshare

☐ Multiple-family residence (no. of units: ) ☐ Co-op / Own-your-own ☐ Manufactured home

☐ Commercial / Industrial ☐ Condominium ☐ Unimproved lot

☐ Other (Description: i.e., timber, mineral, water rights, etc.)

B. IS THIS PROPERTY INTENDED AS YOUR PRINCIPAL RESIDENCE? ☐ Yes ☐ No

If yes, enter date of occupancy (month) (day) (year) or intended occupancy (month) (day) (year)

C. IS PERSONAL PROPERTY INCLUDED IN PURCHASE PRICE (i.e., furniture, farm equipment, machinery, etc.) ☐ Yes ☐ No

(other than a manufactured home subject to local property tax?) (Attach itemized list of personal property.)

If yes, enter the value of the personal property included in the purchase price \$

D. IS A MANUFACTURED HOME INCLUDED IN PURCHASE PRICE ☐ Yes ☐ No

If yes, how much of the purchase price is allocated to the manufactured home? \$

Is the manufactured home subject to local property tax? ☐ Yes ☐ No What is the decal number?

E. DOES THE PROPERTY PRODUCE INCOME? ☐ Yes ☐ No

☐ Lease / Rent ☐ Contract ☐ Mineral Rights If yes, is the income from: ☐ Other (please explain):

F. WHAT WAS THE CONDITION OF THE PROPERTY AT THE TIME OF SALE? ☐ Good ☐ Average ☐ Fair ☐ Poor

Please explain the physical condition of the property and provide any other information (such as restrictions, etc.) that would assist the Assessor in determining the value of the property:

**CERTIFICATION**

OWNERSHIP TYPE (V)

Proprietorship ☐

Partnership ☐

Corporation ☐

Other ☐

I certify that the foregoing is true, correct and complete to the best of my knowledge and belief.  
This declaration is binding on each and every co-owner and/or partner.

NAME OF NEW OWNER/CORPORATE OFFICER ARMANDO VARGAS TITLE OWNER

SIGNATURE OF NEW OWNER/CORPORATE OFFICER DATE 11/20/2007

NAME OF ENTITY (typed or printed) FEDERAL EMPLOYER ID NUMBER

ADDRESS (typed or printed) E-MAIL ADDRESS (optional) DATE

(NOTE: The Assessor may contact you for additional information.)

If a document evidencing a change of ownership is presented to the recorder for recording without the concurrent filing of a preliminary change of ownership report, the recorder may charge an additional recording fee of twenty dollars (\$20).



RECORDING REQUESTED BY:

Stephen L. Vagnini  
Monterey County Recorder  
Recorded at the request of  
**Filer**

CRSUSY  
11/30/2007  
14:28:47

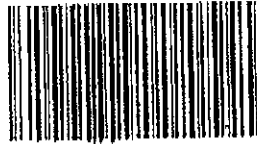
Order #:  
APN #: 253-061-021

WHEN RECORDED MAIL TO

Alberto H. & Edith R. Sauno  
224 Paseo, Gualarte  
San Juan Bautista, CA 95045

DOCUMENT: 2007089924

Titles: 1/ Pages: 2



Fees.... 11.00  
Taxes...  
Other... 2.00  
AMT PAID \$13.00

SPACE ABOVE THIS LINE FOR RECORDERS USE

PARTNERSHIP

## Grant Deed

The undersigned grantor(s) declare(s):  
Documentary transfer tax is \$0.00 Disolution of Partnership  
(X) computed on full value of property conveyed, or  
( ) computed on full value less of liens and encumbrances remaining at time of sale.  
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State of California

County of Monterey

On November 20, 2007  
Gladys Jimenez Alegre

before me,

Armando Vargas, Partner

a Notary Public in and for said State, personally appeared

Edith R. Sauno and Armando Vargas, PARTNERS

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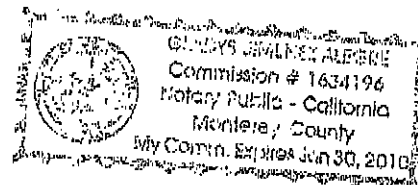
WITNESS my hand and official seal.

Signature

Name

Gladys Jimenez Alegre

(typed or printed)



(This area for official notarial seal)

LEGAL DESCRIPTION EXHIBIT

The West of Lots 6 and 7, in Block "W", in the City of Salinas, County of Monterey, State of California, according to the Map of the Town of New Republic, filed in the Office of the County Recorder, of said County, in Volume 1, Page 6 of Maps of Cities and Towns, together with that portion of the East half of Brutus Street and that portion of Lamar Street, as said streets are shown on said Map and as vacated by Resolution No. 10414 of the City Council of said City, a certified copy of such Resolution being recorded August 4, 1980 in Reel 1423 Page 173 of Official Records in the Office of the County Recorder of said County, that would pass by a conveyance of the West half of said Lots 6 and 7 under Section 1112 of the Civil Code of the State of California.

Except any portion thereof included within Little Bear Creek.

Said land is shown as Parcel "A" on that certain record of survey filed in Volume 22 of Surveys, Page 17 in the Office of said County Recorder.

A.P. NO.: 253-061-021



**PROOF OF SERVICE**  
**[CCP §§ 1013a, 2015.5]**

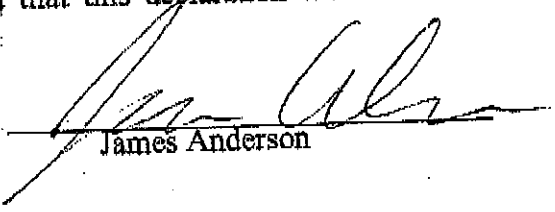
I am a citizen of the United States and a resident of the County of Monterey, State of California. I am over the age of eighteen years and not a party to *Vargas v. Sauno*; and my business address is 2801 Monterey-Salinas Highway, Suite A, Monterey, California, 93940.

On April 3, 2008, I served the attached **CROSS COMPLAINT FOR DAMAGES** on the party below by placing a true copy in an envelope, addressed as follows:

Joshua S. Daniels, Esq.  
**FISHMAN, LARSEN, GOLDRING & ZEITLER**  
 7112 N. Fresno Street, # 450  
 Fresno, CA 93720

**[XXX] BY OVERNIGHT FEDERAL EXPRESS.** I served a copy of this document at the office of the above party.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on April 3, 2008, at Monterey, California.

  
 James Anderson